



青島啤酒

TSINGTAO BREWERY COMPANY LIMITED

(a Sino-foreign joint stock limited company established in the People's Republic of China)

(Stock Code: 168)

**ARTICLES OF ASSOCIATION
OF
TSINGTAO BREWERY COMPANY LIMITED**

(The Articles of Association is prepared in Chinese, and this English translation is for reference only. In case of any discrepancies between the Articles of Association and this English translation, the original Chinese version shall prevail.)

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ARTICLES OF ASSOCIATION OF TSINGTAO BREWERY COMPANY LIMITED

CHAPTER 1: GENERAL PROVISIONS

Article 1 Tsingtao Brewery Company Limited (the “Company”) is a joint-stock limited company established in accordance with the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China (the “Securities Law”), and other relevant regulations.

The Company, having been approved by the State Commission for Restructuring the Economic System of the PRC (Ti Gay Sheng [1993] No. 89) and established by way of the promoter method, was registered with the State Administration for Industry and Commerce in Qingdao on 16th June 1993 and obtained its business licence. The business licence number of the Company is: Lu Qing 16361566-7.

The promoter of the Company is: China State owned Qingdao Brewery.

With the approval of the Ministry of Foreign Trade and Economic Cooperation of the PRC, the Company was issued the Approval Certificate of Enterprise Using Foreign Investment on 18 December 1995, and procedures for amending its registration with the State Administration for Industry and Commerce as a Sino-foreign joint stock limited company was completed on 27 December 1995. After such amendment, the number of the Company’s business license is: Qi Gu Lu Qing Zong Zi no. 004268.

The unified social credit code of the Company is 91370200163615667J.

Article 2 The Company’s registered name: Chinese: 青島啤酒股份有限公司
English: TSINGTAO BREWERY COMPANY LIMITED

Article 3 The Company’s residence is: 56 Dengzhou Road, Qingdao,
Shandong Province,
People’s Republic of China

Postcode: 266023

Article 4 The chairman of the board of directors is the legal representative of the Company.

Article 5 The Company is a joint-stock limited company enjoying perpetuity.

All the assets of the Company are divided into equal shares. The shareholders shall be liable to the Company to the extent of the shares they have subscribed to, and the Company shall bear the liabilities for its debts with all its assets.

Article 6 In accordance with the Company Law, the Securities Law, the Guidelines for Articles of Association of Listed Companies and Code of Corporate Governance for Listed Companies, promulgated by the China Securities Regulatory Commission (referred to as the “CSRC”), and other laws, and the relevant provisions of administrative regulations, departmental rules, and securities regulatory rules of the place where the Company is listed, the Company has amended the original articles of association of the Company formed and adopted at the annual general meeting held on 16 June 2022 (the “Original Articles”), to formulate these articles of association of the Company (the “Company’s Articles” or “these Articles”).

Article 7 Since the date on which these Articles become effective, these Articles shall constitute a legally binding document governing the organisation and conduct of the Company, and the relationship of rights and obligations between the Company and its shareholders as well as among the shareholders themselves.

Article 8 Company’s Articles shall be binding on the Company and its shareholders, directors, supervisors, president and other senior management officers.

Pursuant to Company’s Articles, shareholders may make claims against the Company, the Company may make claims against shareholders, directors, supervisors, president, and other senior management officers, and shareholders may make claims against directors, supervisors, president and other senior management officers of the Company.

The “other senior management officers” referred to in the first and second paragraphs of this Article include the vice presidents, the officers responsible for financial affairs of the Company, the chief brewer and the secretary of the board of directors. Unless otherwise specified, in these Articles below, the term “other senior management officers” shall have the same meaning as that stated in this Article.

Persons occupying an administrative office other than directorship or supervisorship in the Company’s controlling shareholder’s unit shall not act as senior management officers of the Company.

Senior management officers of the Company receive salaries only from the Company and are not paid by the controlling shareholders.

Article 9 The Company may invest in other enterprises. However, unless otherwise provided by law, it shall not become an investor who assumes joint and several liability for the debts of the invested enterprises.

CHAPTER 2: OBJECTS AND SCOPE OF BUSINESS

- Article 10 The business objective of the Company is: to utilize capital in the country and overseas, to develop national beer business, to develop domestic and international markets, to concentrate on quality, to promote by its famous brand, to follow market demands, to aim at efficiency, to create a world-class company, and to obtain satisfactory economic benefits for all shareholders.
- Article 11 Upon lawful registration, the Company's scope of business includes: production of beer, sale of prepackaged food, production of beverages, whiskey and distilled spirits. (Projects that must be approved according to law, shall be approved by relevant departments before business activities can be carried out).
- Article 12 Subject to the requisite approval, the Company may adjust its scope of business, having regard to the changes in the domestic and international markets, the business needs in the country and overseas and the development potential of the Company itself.

CHAPTER 3: SHARES AND REGISTERED CAPITAL

- Article 13 The Company shall have ordinary shares at all times. After the securities regulatory agency of the State Council or the departments authorised by the State Council fulfills the relevant procedures, the Company may, depending on its needs, issue other classes of shares.
- Article 14 The stocks of the Company are in the form of shares. Shares issued by the Company shall have par value of RMB1.00 each.

In this Article, Renminbi (RMB) means the official currency of the PRC.

- Article 15 The Company may issue shares to domestic and overseas investors in accordance with the laws and file with the CSRC in accordance with the regulations. The issue of shares of the Company shall comply with the principle of transparency, fairness and impartiality, and the shares of the same class shall have the same rights and benefits. The shares of the same class which are issued at the same time shall have the same issuing price and shall be subject to the same conditions. The price of shares of the same class which are issued at the same time as subscribed by any organization or individual shall be the same.

“Overseas investors” referred to in the preceding paragraph means investors in foreign countries and in Hong Kong, Macau and Taiwan of China who subscribe for shares issued by the Company, and “domestic investors” means investors in the PRC other than the places abovementioned who subscribe for shares issued by the Company.

Article 16 Shares issued by the Company to domestic investors for subscription in onshore Renminbi are referred to as “domestic invested shares”, abbreviated as A shares. Shares issued by the Company to overseas investors for subscription in foreign currencies are referred to as “foreign invested shares”. Foreign invested shares which are listed outside the mainland are referred to as “overseas listed foreign invested shares”.

The “foreign currencies” referred to in the preceding paragraph means other currencies, besides onshore Renminbi, which have been approved by the State authorities in foreign exchange control as acceptable for making payments to the Company for shares.

Article 17 The Company’s overseas listed foreign invested shares listed in Hong Kong, China are referred to as “H shares”. “H shares” mean the shares which are denominated in Renminbi and subscribed for and traded in Hong Kong dollars and which are listed on The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”).

Article 18 A shares issued by the Company are centrally deposited by the designated depository institution in compliance with relevant regulations. Overseas listed foreign invested shares issued by the Company can be entrusted to depository of the custodian company in accordance with the securities regulatory rules of the place where the Company is listed and the requirements of securities registration and depository, and may also be held in the name of individual shareholders.

Article 19 With the approval of the companies examination and approval authority appointed by the State Council, the Company may issue a total amount of 1,060,000,000 ordinary shares. At the time of establishment, the Company issued to the promoter 399,820,000 shares representing 37.72% of the total ordinary shares which the Company authorized to issue 53,330,000 shares, representing 5.03% of the total ordinary shares which the Company authorized to issue, were issued to domestic investors, and 29,250,000 shares, representing 2.76% of the total ordinary shares which the Company authorized to issue, were issued to overseas investors.

Article 20 After the establishment of the Company, the securities regulatory agency of the State Council approved the initial public offering of ordinary shares. The Company issued 317,600,000 H shares for listing on the Hong Kong Stock Exchange, accounting for 29.96% of the total number of ordinary shares that the Company authorized to issue, and 200,000,000 A shares for listing on the Shanghai Stock Exchange, accounting for 18.87% of the total number of ordinary shares that the Company authorized to issue.

The total number of shares of the Company is 1,364,196,788, and the current share capital structure is as follows: 1,364,196,788 ordinary shares, of which 709,127,610 shares (including 4,429,196 shares subject to selling restrictions and 704,698,414 tradable A shares not subject to selling restrictions) were held by shareholders of A shares, and 655,069,178 shares were held by shareholders of H shares.

Article 21 The registered capital of the Company is RMB1,364,196,788.

Article 22 The Company or its subsidiaries (including the Company's affiliated enterprises) shall not provide any assistance in the form of gifts, advance funding, guarantees, compensation, or loans to persons acquiring or proposing to acquire Company shares.

CHAPTER 4: INCREASE AND DECREASE OF SHARES AND REPURCHASE

Article 23 Based on the operation and development needs and in accordance with the provisions of laws and regulations, the Company, through resolutions passed by the shareholders' general meeting, may increase capital by adopting the following methods:

- (1) issue shares to unspecified targets;
- (2) issue shares to specified targets;
- (3) distribute bonus shares to existing shareholders;
- (4) conversion of capital reserve into share capital;
- (5) other methods permitted by laws, administrative regulations and CSRC.

After the Company's proposal to increase its capital by issuing new shares has been approved in accordance with the provisions of Company's Articles, the matter shall be conducted in accordance with the procedures set out in the relevant laws and administrative regulations of the PRC.

Any increase in the registered capital of the Company shall be registered with the company registration authority in accordance with the law.

Article 24 The Company may reduce its registered capital in accordance with the provisions of Company's Articles. The reduction of registered capital by the Company shall be dealt with in accordance with the Company Law, other relevant regulations, and the procedures stipulated in the Company's Articles.

Article 25 When the Company proposes to reduce its registered capital, it must prepare a balance sheet and inventory of assets.

The Company shall notify its creditors within ten days from the date of the resolution authorizing the reduction of capital, and make announcements on newspapers within thirty days from that date. Creditors shall, within thirty days commencing from the date of receipt of the written notification, or within forty-five days commencing from the date of the announcement for those who do not receive written notification, have the right to require the Company to settle its debts or to offer corresponding guarantees for their settlement.

The registered capital of the Company after the reduction of capital shall not fall below the minimum statutory requirement.

The reduction of registered capital by the Company shall be registered with the company registration authority in accordance with the law.

Article 26 In one of the following circumstances, the Company may repurchase its own shares in accordance with the provisions of the laws, administrative regulations, departmental rules and the securities regulatory rules of the place where the Company is listed and these Articles:

- (1) cancellation of shares for the purpose of reduction of capital;
- (2) merging with another company which holds the Company's shares;
- (3) using the shares for employee stock ownership plans or shares incentive;
- (4) acquiring the shares of shareholders who vote against any resolution passed at the general meeting of shareholders on the merger or division of the Company;
- (5) using shares to convert convertible bonds issued by the listed company;
- (6) actions necessary for the listed company to maintain the Company's value and the shareholders' interest; and
- (7) other circumstances permitted by laws and administrative regulations.

When the Company repurchases its own issued shares, the repurchase shall be carried out in accordance with Articles 27 to 28.

Article 27 Where the Company repurchases its own shares, it may be conducted by way of open centralised trading, or other methods recognised by the laws, regulations and the securities regulatory management authority in the place where the Company is listed.

Where the Company repurchases its own shares due to the circumstances specified in Article 26(3), (5), and (6), it shall be carried out by way of an open centralised transaction method.

Article 28 Unless otherwise required by laws, administrative regulations, rules and regulations of authorized departments or these Articles, if the Company repurchases its own shares pursuant to items (1) and (2) of Article 26 of these Articles, special resolutions relating thereto shall be passed at a general meeting of shareholders in accordance with these Articles. If the Company repurchases its own shares pursuant to items (3), (5) and (6) of Article 26, it can be resolved by the resolution of the board meeting attended by more than two-thirds of the directors and, in accordance with the authorization of the general meeting. If the Company repurchases its own shares under the circumstances set forth in item (1) of Article 26, the shares so repurchased shall be cancelled within ten days from the repurchase date. In the event of the circumstances set forth in items (2) and (4) of Article 26, the shares so repurchased shall be transferred or cancelled within six months. In the event of the circumstances set forth in items (3), (5) and (6) of Article 26, the total number of shares of the Company held by the Company shall not exceed ten percent of the total issued shares of the Company, and shall be transferred or cancelled within three years.

Where the shares are required to be cancelled when they are repurchased in accordance with the law, the shares so purchased shall, within the period specified by laws and administrative regulations, be cancelled and registration as to the amendment of registered capital shall be applied to the company registration authority with which it was originally registered.

Where the Company proposes to repurchase its shares through an off-market agreement outside a stock exchange, it must seek the prior approval from the shareholders' general meeting in accordance with the provisions of these Articles. The Company may rescind or vary a contract so entered into by the Company or waive any of its rights thereunder with the prior approval from the shareholder's general meeting was held in the same manner. In this Article, a "contract" for the repurchase of shares includes (but not limited to) an agreement to become obliged to repurchase shares or to acquire the right to repurchase shares.

If the laws, regulations, and securities regulatory rules of the place where the Company is listed etc. have other provisions on the relevant matters involved in the aforementioned share repurchase, those provisions shall prevail.

The amount of the Company's registered capital shall be reduced by the total par value of the shares cancelled.

CHAPTER 5: TRANSFER OF SHARES

Article 29 The Company's shares may be transferred in accordance with the law.

Article 30 The Company shall not accept the taking of the shares of the Company as the subject matter of a pledge.

Article 31 Shares held by promoters shall not be transferable within one year from the date of the Company's establishment. Shares already issued before the public offering of shares by the Company shall not be transferable within one year from the date of listing of the Company's shares on the stock exchange.

Directors, supervisors and senior management officers of the Company shall report to the Company their shareholdings in the Company and changes therein and shall not transfer more than twenty-five percent of such shareholdings per year during their terms of office. The shares of the Company held by the aforesaid persons shall not be transferred within one year from the day when the shares of the Company started to be listed and traded in the stock exchanges. The aforesaid persons shall not transfer the shares in the Company held by them within half a year from the date on which their resignation from the Company comes into effect.

Article 32 Shareholders, directors, supervisors, or senior management officers holding more than five percent of the Company's shares, if selling the shares of the Company held or other equity securities held by them within six months after acquisition or buying back the shares within six months after selling, the profits from these transactions shall belong to the Company, and the board of directors shall reclaim the profits. However, this does not apply to securities companies holding over five percent of the shares due to the purchaser of remaining stocks after underwriting and as well as other circumstances specified by the CSRC.

Shares or other securities of an equity nature held by directors, supervisors, senior management officers and natural person shareholders as mentioned in the preceding paragraph, including shares or other securities of an equity nature held by their spouses, parents, children, as well as shares held through others' accounts.

If the Company's board of directors fails to comply with the provisions of the first paragraph of this Article, shareholders are entitled to request the board of directors to comply within thirty days. If the Company's board of directors fails to comply within the aforementioned period, shareholders are entitled to file a lawsuit directly in their own name for the Company's interests in the People's Court.

If the Company's board of directors fails to implement the provisions of the first paragraph of this Article, the responsible directors shall bear joint and several liability according to the law.

CHAPTER 6: SHARE CERTIFICATES AND REGISTER OF SHAREHOLDERS

Article 33 The Company's share certificates shall be in the form of registered shares. The following main particulars shall be clearly stated on a share certificate:

- (1) the name of the Company;
- (2) the date of incorporation of the Company;
- (3) the class and par value of the share certificate and the number of shares it represents;
- (4) the serial number of the share certificate;
- (5) other matters required to be stated by the stock exchange on which the Company's shares are listed.

Share certificates shall be signed by the chairman of the Company's board of directors. Where the signatures of other senior management officers of the Company are required by the stock exchange on which the Company's shares are listed, the share certificates shall also be signed by those senior management officers. The share certificates shall take effect upon affixing the Company's seal or by printing it thereon. The Company's seal shall be affixed on the share certificates with the authority of the board of directors. The signatures of the chairman of the Company's board of directors or other relevant senior management officers of the Company appearing on the share certificates may also be in printed form.

Under the conditions of paperless issuance and trading of the Company's shares, other provisions of the securities regulatory rules of the place where the Company is listed shall apply.

Article 34 The Company shall keep a register of shareholders based on the certificates provided by the securities registration institution, to register the following particulars:

- (1) the name, or titles and residence of shareholders;
- (2) the number of shares held by each shareholder;
- (3) serial numbers of the shares held by each shareholder;
- (4) the date of acquisition of shares by each shareholder.

The register of shareholders shall be sufficient evidence of the shareholders' shareholding in the Company, unless there is evidence to the contrary.

Article 35 The Company may, pursuant to the understanding or agreement reached between the State Council securities regulatory authorities and overseas securities regulatory authorities, keep the original of the register of the holders of overseas listed foreign invested shares in a place outside the PRC, and entrust its administration to an overseas agent. The original of the register of holders of overseas listed foreign invested shares listed in Hong Kong shall be kept in Hong Kong.

Article 36 The Company shall have a complete register of shareholders.

The register of shareholders shall comprise the following parts:

- (1) a part maintained at the Company's residence consisting of portions other than those required under sub-paragraphs (2) and (3) below;
- (2) the register of holders of overseas listed foreign invested shares of the Company maintained at the place of the stock exchange on which the shares are listed;
- (3) any such parts maintained in such other places as the board of directors may deem necessary for listing purposes.

Article 37 For shareholders of overseas listed foreign invested shares, different parts of the register of shareholders shall not overlap. All transfers of the Company's shares shall be registered in the relevant part of the register. No transfer of any shares registered in any part of the register shall, during the continuance of that registration, be registered in any other part of the register.

All fully-paid overseas listed foreign invested shares listed in Hong Kong may be freely transferred in accordance with these Articles. However, the board of directors of the Company may refuse to recognise any transfer documents without giving any reasons, unless the following conditions are complied with:

- (1) a fee of HK\$2 (or such higher amount as shall be approved by the Hong Kong Stock Exchange) is paid to the Company, for registering the share transfer documents and other documents relating to or affecting the title to the shares concerned;
- (2) the transfer documents relate only to the overseas listed foreign invested shares listed in Hong Kong;
- (3) the stamp duty in respect of the transfer documents has been paid;
- (4) the relevant share certificates, and such evidence as shall reasonably be required by the board of directors showing that the transferor has the right to transfer the shares, shall be produced;

- (5) if the shares are intended to be transferred to transferees in a joint account, the number of holders in the joint account shall not be more than four;
- (6) the relevant shares shall be free from all lien of the Company.

The alteration and rectification of each part of the share register shall be carried out in accordance with the laws of its situs.

Article 38 If the laws, regulations, and the securities regulatory rules of the place where the Company is listed have provisions on the period of closure for the register of members before the shareholders' general meeting is held or the Company decides to distribute dividends, such provisions shall prevail.

Article 39 For the purposes of convening a shareholders' general meeting, distributing dividends, liquidation or conducting other activities requiring verification of shareholder's identity, the board of directors or the convener of the shareholders' general meeting shall designate a date to be the record date. Shareholders recorded in the register after the close of trading on the record date shall be shareholders entitled to relevant rights.

Article 40 In the event of theft, loss, or destruction of registered shares, shareholders may, in accordance with the procedure of summons in public for exhortation as stipulated in the Civil Procedure Law of the People's Republic of China, request the People's Court to declare the invalidity of such shares. After the People's Court declares such shares invalid, shareholders may apply to the Company for reissuance of the shares.

Article 41 Any shareholder of registered overseas listed foreign invested shares or any person who claims to be entitled to have his/her name entered in the register of shareholders in respect of shares in the Company may, if it appears that the overseas listed foreign invested shares certificate relating to the shares (the "original certificate") is lost, apply to the Company for a new certificate in respect of such shares (the "relevant shares").

Where holders of overseas listed foreign invested shares have lost their share certificates and apply for their replacement, the matter may be dealt with in accordance with the laws, stock exchange rules or other relevant requirements of the place at which the original register of holders of overseas listed foreign invested shares is kept.

Where holders of H shares have lost their share certificates and apply for their replacement, the issue of replacement certificates shall comply with the following requirements:

- (1) The applicant shall submit an application to the Company in a prescribed form accompanied by a notarial certificate or a statutory declaration stating the grounds upon which the application is made, the circumstances in which the share certificates are lost and the evidence thereof, and declaring that no other person shall be entitled to be registered as a shareholder in respect of the relevant shares.
- (2) Before the Company makes the decision to issue the replacement certificates, no claims shall have been received by the Company from a person other than the applicant for registration as holder of the relevant shares.
- (3) The Company shall, if it decides to issue replacement certificates, publish an announcement of its intention to issue replacement certificates. The publication must be made at least once every thirty days in a period of announcement for ninety days.
- (4) The Company shall, prior to publication of an announcement of its intention to issue replacement certificates, deliver to the stock exchange on which the relevant shares are listed a copy of the announcement to be published. The announcement may be published upon receiving confirmation from such stock exchange that the announcement has been displayed at its premises. The period for which the announcement being displayed at the stock exchange shall be ninety days.

In the case of an application made without the consent of the registered holder of the relevant shares, the Company shall send by post to such registered shareholder a photocopy of the announcement to be published.

- (5) If, by the expiration of the ninety-day periods referred to respectively in sub-paragraphs (3) and (4) above, the Company has not received any objection from any person against the issue of the replacement certificates, the Company may issue the replacement certificates in accordance with the applicant's request.
- (6) Where the Company issues replacement certificates under this Article, it shall forthwith cancel the original certificates and enter the cancellation and the issue in the register of shareholders accordingly.
- (7) All expenses relating to the cancellation of an original certificate and the issue of a replacement certificate by the Company shall be borne by the applicant. The Company may refuse to take any action until reasonable security is provided by the applicant.

CHAPTER 7: SHAREHOLDERS' RIGHTS AND OBLIGATIONS

Article 42 A shareholder of the Company is a person who legally holds the shares of the Company and whose name is entered in the register of shareholders.

Shareholders enjoy rights and have obligations according to the class of shares held by them. Shareholders holding shares of the same class enjoy equal rights and have equal obligations.

Unless otherwise specified in these Articles, holders of domestic invested shares and holders of overseas listed foreign invested shares are both holders of ordinary shares, enjoying the same rights and having the same obligations.

Article 43 Shareholders of the Company enjoy the following rights:

- (1) to obtain dividends and other distributions in proportion to the number of shares held by them;
- (2) to request, convene, hold, attend or appoint proxies to attend shareholders' general meetings in accordance with the law and to exercise the relevant voting rights;
- (3) to supervise the management of the business operations of the Company and to make recommendations or raise queries;
- (4) to transfer, gift or pledge shares held by them in accordance with provisions of the laws, administrative regulations and Company's Articles (the disposal of overseas listed foreign invested shares shall be effected also in accordance with the law of the place in which the shares are listed);
- (5) to review these Articles, register of shareholders, stubs of bonds of the Company, minutes of shareholders' general meetings, resolutions of the board of directors, resolutions of the supervisory committee and the financial reports;
- (6) upon the termination or liquidation of the Company, the right to participate in the distribution of the Company's remaining assets in proportion to the number of shares held by them;
- (7) shareholders who dissent from the Company merger or division resolutions passed at the shareholders' general meeting may request the Company to repurchase their shares;
- (8) other rights stipulated by laws, administrative regulations, departmental rules, or the Company's Articles.

When shareholders propose to review the relevant information mentioned in the preceding paragraph or request materials, they should provide written documentation to the Company proving the type and quantity of shares they held. Upon verifying the shareholder's identity by the Company, the Company may provide the information upon reasonable request of shareholders. However, if the content involves Company trade secrets, insider information, or personal privacy of staff, the Company may refuse to provide so. Should the inquiry for the information or materials mentioned in item (5) incur relevant fees, the shareholder will be responsible for these costs on their own.

Article 44 If the resolutions of the Company's shareholders' general meeting or board of directors violate laws or, administrative regulations, shareholders are entitled to request the People's Court to declare them invalid.

If the convening procedures or polling methods of the shareholders' general meeting or meeting of board of directors violate laws, administrative regulations, or these Articles, or if the resolution content violates these Articles, shareholders are entitled to request the People's Court for revocation within sixty days from the date of the resolution.

Article 45 If directors or senior management officers violate provisions of laws, regulations, or these Articles when performing Company duties, causing losses to the Company, shareholders holding individually or in combination over one percent of the Company's shares continuously for one hundred and eighty days or more are entitled to request the supervisory committee to file a lawsuit in the People's Court. If supervisory committee violates provisions of laws, regulations, or these Articles when performing Company duties, causing losses to the Company, shareholders may request the board of directors in writing to file a lawsuit in the People's Court.

In case the supervisory committee and board of directors refuse to file a lawsuit, or fail to file a lawsuit upon receiving a written request of the shareholders specified in the preceding paragraph within thirty days, or in the case of emergency and a delay in filing a lawsuit would cause irreparable damage to the Company's interests, the shareholders specified in the preceding paragraph are entitled to file a lawsuit directly in their own name for the Company's interests.

If others infringe upon the Company's legitimate rights, causing losses to the Company, shareholders as stipulated in the first paragraph of this Article are entitled to file a lawsuit in accordance with the provisions of the preceding two paragraphs.

Article 46 If directors or senior management officers violate provisions of laws, regulations, or these Articles, causing damage to shareholders' interests, shareholders are entitled to file a lawsuit in the People's Court.

Article 47 Shareholders of the Company have the following obligations:

- (1) to comply with laws, administrative regulations, and the Company's Articles;
- (2) to pay subscription monies in respect of the shares subscribed for, in accordance with the mode of capital injection;
- (3) except for circumstances stipulated by laws and regulations, shares shall not be withdrawn;
- (4) not to abuse their shareholders' rights to harm the interest of the Company or other shareholders, and not to abuse the independent legal person status of the Company and the limited liability of shareholders to harm the interest of any creditor of the Company. If a shareholder of the Company abuses its shareholder's rights and thereby causes loss on the Company or other shareholders, such shareholder shall be liable for damages in accordance with the law. If a shareholder of the Company abuses the Company's independent legal person status and the limited liability of shareholders for the purposes of avoiding debts, thereby materially impairing the interests of the creditors of the Company, such shareholder shall be jointly and severally liable for the debts owed by the Company.
- (5) to undertake other obligations imposed by laws, administrative regulations and Company's Articles.

Article 48 Shareholders holding more than five percent of the voting rights of the Company, upon pledging the shares they hold, shall report this fact in writing to the Company on the day the incident occurs. The pledge of H shares shall comply with the securities regulatory rules of the place where the Company is listed overseas.

Article 49 The controlling shareholders and de facto controller of the Company shall not exploit their affiliated relationships to the detriment of the Company's interests. Whoever violates the regulations and results in losses to the Company shall be liable for compensation.

The controlling shareholder and de facto controller of the Company shall owe fiduciary duties to the Company and its public shareholders. The controlling shareholder shall exercise the rights of a capital contributor in strict accordance with the laws and regulations and shall refrain from compromising the lawful interests of the Company and its public shareholders when engaging in profit distributions, asset restructuring, external investments, fund appropriations and the provision of loan guarantees, etc., or compromising the lawful interests of the Company and its public shareholders by taking advantage of its controlling position.

Article 50 There shall be no appropriation of Company's capital shall be strictly restricted in the operational capital flows between the controlling shareholder, de facto controllers, and other affiliates with the Company.

The Company shall not provide capital for use by the controlling shareholder, de facto controllers, and other affiliates directly or indirectly in the following ways:

- (1) Advancing fees such as payments for salaries, benefits, insurance, advertising expenses, and bearing costs and other expenditures for controlling shareholders, de facto controllers, and other affiliates;
- (2) Lending the Company capital at a consideration or at nil consideration for use (including entrusted loans), to controlling shareholders, de facto controllers, and other affiliates or provide them with financial assistance in any way. However, this does not apply to providing financial assistance to affiliated joint-stock companies not controlled by the Company's controlling shareholders or de facto controllers, except that other shareholders of the affiliated joint-stock company provide financial assistance with the equal in proportion to their contributions;
- (3) Commissioning the controlling shareholder, de facto controllers, and other affiliates to conduct investment activities;
- (4) Issuing trade acceptance that lacks authentic transaction background to controlling shareholders, de facto controllers, and other affiliates and providing capitals in the form of purchase payment, asset transfers, advance payments, etc., in the absence of goods and service transactions or obviously contrary to commercial logic;
- (5) Repayment of debts on behalf of the controlling shareholder, de facto controllers, and other affiliates;
- (6) Other ways specified by the CSRC.

The terms "affiliates" and "affiliated joint- stock companies" referred to in this Article shall have the same meanings as defined by the rules of Company's domestic listing place.

CHAPTER 8: SHAREHOLDERS' GENERAL MEETINGS

Article 51 The shareholders' general meeting is the organ of authority of the Company. It exercises its functions and powers according to law.

Article 52 The shareholders' general meeting shall exercise the following functions and powers:

- (1) to decide the Company's business policies and investment plans;
- (2) to elect and replace directors and to decide on matters relating to the remuneration of directors;
- (3) to elect and replace those supervisors who are not held by staff representatives, and to decide on matters relating to the remuneration of supervisors;
- (4) to consider and approve reports of the board of directors;
- (5) to consider and approve reports of the supervisory committee;
- (6) to consider and approve the Company's annual financial budget and final accounts;
- (7) to consider and approve the Company's profit distribution proposals and proposal for making up losses;
- (8) to pass resolutions on the increase or reduction of the Company's registered capital;
- (9) to pass resolutions on matters such as the merger, division, dissolution and liquidation of the Company;
- (10) to pass resolutions on the issue of Company bonds;
- (11) to pass resolutions on the appointment and removal of the services of accounting firms for the Company;
- (12) to amend Company's Articles;
- (13) to consider any motions proposed by shareholders representing more than three percent or more of (inclusive) of the shares of the Company carrying the right to vote;
- (14) to examine and approve matters relating to guarantees stipulated in Article 53 of these Articles;
- (15) to consider the Company's acquisition or disposal of material assets conducted within the period of one year with a value exceeding thirty percent of the latest audited total assets of the Company;
- (16) to examine and approve changes in the use of proceeds from fund raising exercise;

- (17) to examine share incentive schemes and employee stock ownership plans;
- (18) to resolve on other matters required to be resolved in shareholders' general meetings in accordance with the laws, administrative regulations, departmental rules or Company's Articles.

As regards matters which are required to be resolved at the shareholders' general meeting pursuant to laws, administrative regulations, these Articles and shareholders' resolutions passed in general meetings, the board of directors shall convene a shareholders' general meeting for discussion and approval with the view to safeguarding the shareholders' rights in relation to those matters. For matters incidental to such resolutions which are not specifically resolved at the shareholders' general meeting, the shareholders in general meeting may, whenever it is necessary and reasonable, authorize the board of directors to decide on or deal with those matters within the authority so granted.

In the event that the board of directors is required to be so authorized to decide on or deal with matters by shareholders, such authorization shall be approved by more than half of the total voting shares held by shareholders who are present at the meeting (including proxies) if such matters are those which should be passed by way of an ordinary resolution; and shall be approved by more than two-thirds of the Company's total voting shares held by shareholders who are present at the meeting (including proxies) if such matters are those which should be passed by way of a special resolution. The terms of the authorization shall be clear and specific.

Article 53 The following matters relating to guarantees provided by the Company to a third party shall be subject to the approval by shareholders at general meetings:

- (1) any subsequent guarantee to be provided by the Company in favour of a third party when the aggregate amount of guarantees of the Company and its controlling subsidiaries given in favour of third parties has already exceeded fifty percent of the Company's most recent audited net asset value;
- (2) any subsequent guarantee to be provided by the Company in favour of a third party, when the aggregate amount of guarantees of the Company given in favour of third parties has already exceeded thirty percent of the Company's most recent audited total asset value;
- (3) the guarantee exceeding thirty percent of the latest audited total assets of the listed companies according to the principle of cumulative calculation guarantee amount within twelve consecutive months;
- (4) the amount guaranteed by the Company within one year exceeds thirty percent of the Company's most recent audited total asset value;

- (5) any guarantee to be provided by the Company in favour of any entity which has a gearing ratio of over seventy percent;
- (6) any single guarantee to be provided by the Company exceeding ten percent of the Company's most recent audited net asset value;
- (7) any guarantee to be provided in favour of any shareholder, de facto controllers and their affiliates.

When the shareholders' general meeting deliberates on the guarantees mentioned in the preceding paragraph (3), it requires approval by more than two-thirds of the voting rights held by attending shareholders.

For the deliberation of guarantees mentioned in the preceding paragraph (7), such shareholder or a shareholder controlled by the de facto controller shall abstain from such voting. Such voting requires the approval of more than half of the voting rights held by shareholders attending the shareholders' general meeting.

Article 54 For financial assistance transactions conducted by the Company, in addition to the majority approval of all disinterested directors, it also requires deliberation and approval by more than two-thirds of the attending disinterested directors at the board meeting.

Financial assistance matters falling into one of the following circumstances shall also be submitted to the shareholders' general meeting for deliberation after approval by the board of directors:

- (1) the amount of a single financial assistance exceeding ten percent of the Company's latest audited net assets;
- (2) the assisted party's latest financial statements showing an asset-liability ratio that exceeds seventy percent;
- (3) cumulative amount of financial assistance within the twelve months exceeding ten percent of the Company's latest audited net assets;
- (4) other circumstances stipulated by the stock exchange of the Company's domestic listing place or the Company's Articles.

Target of the assistance who is a holding subsidiary within the scope of the consolidated financial statements of the Company and where the other shareholders of the holding subsidiary do not include the controlling shareholder or the de facto controller of the listed Company and their affiliates, may be exempted from the provisions of the preceding two paragraphs.

Directors, supervisors, the president, and other senior management officers of the Company shall not sign financial assistance contracts on behalf of the Company without authorization in violation of the approval authority and deliberation procedures. Should any of them sign financial assistance contracts without authority and beyond their powers, causing damage to the Company, the Company should hold the responsible parties accountable.

Article 55 Except in special circumstances such as the Company is in a crisis, the Company will not, without the approval by special resolution, enter into any contract with any person other than a director, president or other senior management officers of the Company whereby the management and administration of the whole or any substantial part of any business of the Company is to be handed over to such a person.

Article 56 Shareholders' general meetings shall include annual general meetings and extraordinary general meetings. Shareholders' general meetings shall be convened by the board of directors. The annual general meeting shall be convened once a year, and shall be held within 6 months of the end of the previous financial year.

The board of directors shall convene an extraordinary general meeting within 2 months after the occurrence of any of the following circumstances:

- (1) where the number of directors falls below the number stipulated in the Company Law or below two-thirds of the number required by these Articles;
- (2) where the accrued losses of the Company amount to one-third of its total share capital;
- (3) where shareholders individually or collectively holding ten percent or more (inclusive) of the Company's issued shares carrying the right to vote make a requisition in writing for the convening of an extraordinary general meeting;
- (4) where the board of directors considers it necessary or where the supervisory committee proposes to convene such a meeting;
- (5) other circumstances stipulated by provisions of laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company is listed, or these Articles.

Article 57 The place for holding shareholders' general meetings shall be: The domicile of the Company or other specific locations stated in the notice of the shareholders' general meeting.

The Company shall set up a venue for shareholders' general meeting and the meeting will be convened in the manner of live meeting. Subject to ensuring the legitimacy and validity of the shareholders' general meeting, the Company shall provide convenience to the shareholders for attending the shareholders' general meeting preferentially by providing modern information technologies such as online voting platforms, and increase the proportion of public shareholders participating in the general meeting. The shareholders who attend the shareholders' general meeting in the aforesaid manner shall be deemed to have attended.

Article 58 Where the Company convenes an annual general meeting, written notice to notify all shareholders whose names appear in the register of shareholders of the matters to be considered and the date and venue of the meeting must be given not less than twenty clear business days before the meeting; when the Company convenes an extraordinary general meeting, it shall send out a notice ten clear business days or fifteen days (whichever is longer) before such meeting is held.

The notice of the shareholders' general meeting shall be sent to shareholders (whether or not they have voting rights at the shareholders' general meeting) in the form of notice stipulated by these Articles or in other ways permitted by the securities regulatory authority at the place the Company's shares are listed.

Business days refer to in this article refers to the days when the market opens at Hong Kong Stock Exchange for the trading of securities.

Article 59 At the shareholders' general meeting convened by the Company, the board of directors, supervisory committee, and shareholders holding three percent or more (inclusive) of the total voting shares individually or collectively have the right to propose resolutions to the Company. Shareholder(s) individually or in aggregate holding three percent or more (inclusive) of the total shares of the Company carrying the right to vote may propose additional motion(s) in writing to the convener of the shareholders' general meeting ten days prior to the convening of the shareholders' general meeting. The convener shall, within two days upon receipt of the motions, issue a supplemental notice for the shareholders' general meeting and announce the contents thereof. The aforesaid convener refers to the person who shall be entitled to convene the shareholders' general meeting in accordance with these Articles.

Save as provided in the preceding paragraph, upon issuance of the notice for the shareholders' general meeting, the convener shall not amend any motions which are set out in the notice for the shareholders' general meeting or add new motions.

The content of the proposed motions shall fall within the scope of functions and powers of the shareholders' general meeting, have a clear topic for discussion and specific issues for resolution, and comply with the relevant provisions of laws, regulations and these Articles.

Proposals not specified in the shareholders' general meeting notice or not complying with the provisions of paragraph 3 of this Article shall not be voted on or resolved at the shareholders' general meeting.

Article 60 The notice of a shareholders' general meeting shall:

- (1) specify the venue, the date and the time of the meeting;
- (2) state the motions and proposals to be discussed at the meeting;
- (3) contain a disclosure of the nature and extent, if any, of material interests of any director, supervisor, president or other senior management officer in the transaction proposed and the effect of the proposed transaction on him in his capacity as shareholder in so far as it is different from the effect on the other shareholders of the same class;
- (4) if matters relating to election of directors and supervisors are proposed to be discussed at general meeting of shareholders, fully disclose detailed information concerning the candidates in the notice of the general meeting, which shall at least include the following:
 1. personal information relating to the candidates, including educational background, work experience and all other positions undertaken on a part-time basis;
 2. whether the candidates are affiliated with the Company, its controlling shareholders and de facto controllers, the Company's directors, supervisors, senior management officers, or shareholders holding more than five percent of the shares;
 3. whether there are any circumstances prohibiting nomination as directors, supervisors, or senior management officers as per the securities regulatory rules of the place where the Company is listed;

4. disclosing the candidates' shareholdings in the Company;
 5. whether the candidates have been subject to any punishment by the CSRC or other relevant department or to any sanction by stock exchange.
- (5) contain the full text of any special resolution proposed to be passed at the meeting;

Except for cumulative voting system adopted for the election of directors and supervisors, each candidate of director or supervisor should be proposed individually.

- (6) contain conspicuously a statement that all shareholders of ordinary shares are entitled to attend the shareholders' general meeting and may appoint proxies in writing to attend and vote at the meeting. Such proxies need not be shareholders of the Company;
- (7) state the shareholding record date for shareholders who are entitled to attend the shareholders' general meeting;
- (8) state the names and contact numbers of the contact persons for meetings;
- (9) voting time and procedures via networks or other means.

Article 61 Notices of shareholders' general meetings shall be served on each shareholder, whether or not entitled to vote thereat, by announcement or through other methods specified in Article 178 of these Articles. Once the announcement has been published, all shareholders shall be deemed to have received notice of the relevant shareholders' general meeting.

Article 62 A shareholder may attend the shareholders' general meeting in person and exercise his/her voting right or appoint others to act as proxy of shareholder to attend and exercise the voting right within the authorized scope.

Such proxy so appointed shall be entitled to exercise the following rights pursuant to the authorization from that shareholder:

- (1) the same right as such shareholders to speak at the meeting;
- (2) the right to demand or join in demanding a poll;
- (3) the right to vote by hand or on a poll (but such proxy of shareholder who has appointed more than one proxy may only vote on a poll).

Where the shareholder is a recognized clearing house (or its proxy) as defined under the Securities and Futures Ordinance of Hong Kong (Chapter 571 of the Laws of Hong Kong), the shareholder may authorize one or more persons as it thinks fit to act as its representative(s) at any shareholders' general meeting or any class meeting of shareholders; however, if more than one person is so authorized, the power of attorney shall specify the number and class of shares in respect of which each such person is so authorized. The persons so authorized may exercise the rights on behalf of the recognized clearing house (or its proxy) as if they were the individual shareholders of the Company.

Article 63 The instrument appointing a proxy shall be in writing. The power of attorney shall be signed by the appointer or his attorney duly authorized in writing; if the appointer is a legal person, it shall be under seal or under the hand of a director or an attorney duly authorized.

Article 64 Where the power of attorney for voting proxy is signed by a person under a power of attorney on behalf of the appointer, that power of attorney or other authorization documents shall be notarially certified. The notarially certified power of attorney or authorization documents shall, together with the instrument appointing the proxy, be deposited at the Company's residence or at such other place as specified for that purpose in the notice of meeting.

Article 65 The power of attorney for voting proxy voting proxy should contain the following information:

- (1) name of the shareholder-authorized proxy;
- (2) number of shares of the appointer represented by shareholder-authorized proxy;
- (3) whether the shareholder has voting rights;
- (4) respective instructions on voting for or against each item on the agenda of the shareholders' general meeting;
- (5) date of issuance and validity period of the power of attorney;
- (6) signature of the appointer (or official seal). For corporate shareholders, the corporate seal should be affixed.

The proxy form should contain a statement that in default of instructions the proxy may vote as he/she thinks fit.

Article 66 A shareholder attending the meeting in person should present his/her identity card or other valid documents or proof demonstrating his/her identity or ownership certificates such as share account cards.

A proxy attending a shareholders' general meeting on behalf of a shareholder shall produce documents of personal identity, and the proxy letter signed by the appointer.

A corporate shareholder should have his/her legal representative, proxy of the legal representative, or individual authorised by the board of directors or other decision-making bodies represent he/she to attend the meeting. If a corporate shareholder appoints its legal representative to attend the meeting, that legal representative shall present documents of his/her personal identity and valid documents proving his/her qualification as legal representative. If the legal representative of corporate shareholder appoints a proxy to attend the shareholders' general meeting, the proxy should present documents of his/her personal identity and a written power of attorney issued by the legal representative according to the law. If a person authorized by the board of directors or other decision-making bodies of the corporate shareholder is appointed to attend the meeting, that authorized person shall produce documents of his/her personal identity and the authorization documents of the board of directors or other decision-making bodies of the corporate shareholder appointing him/her.

Article 67 When convening the shareholders' general meeting, all directors, supervisors, and the secretary of the board of directors of the Company should attend the meeting, while the president and other senior management officers should present at the meeting.

Article 68 Resolutions of a shareholders' general meeting can be ordinary resolutions or special resolutions.

An ordinary resolution of the shareholders' general meeting shall be passed by an affirmative vote of more than half of the Company's total voting shares held by the shareholders who are present at the meeting (including proxies).

A special resolution of the shareholders' general meeting shall be passed by an affirmative vote of more than two-thirds of the Company's total voting shares held by the shareholders who are present at the meeting (including proxies).

Article 69 When the shareholders' general meeting elects directors or supervisors not represented by staff representatives, the list of director or supervisor candidates shall be presented as proposals for voting at the shareholders' general meeting.

When the shareholders' general meeting elects two or more directors (including independent directors) or supervisors, a cumulative voting system should be adopted, and the voting of small and medium shareholders should be separately counted and disclosed when electing independent directors.

The cumulative voting system mentioned in the preceding paragraph refers to each share having voting rights equivalent to the number of directors or supervisors to be elected at the shareholders' general meeting. Shareholders can concentrate their voting rights.

Article 70 Shareholders (including proxies) who vote at shareholders' general meetings shall exercise their voting rights in relation to the amount of voting shares they represent. Except for the provisions in these Articles regarding the election of directors and supervisors using the cumulative voting system, each voting share carries the right to one vote.

Where any shareholder is, under the listing rules of the stock exchange on which its shares are listed, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by the shareholder (or his/her proxy) in contravention of such requirement or restriction shall not be counted.

When the shareholders' general meeting deliberates on matters in relation to related-party transactions, related shareholders should abstain from voting, and the votes represented by their shares should not be counted in the valid total votes. The announcement of the shareholders' general meeting resolution should fully disclose the voting situation of non-related shareholders.

Shares of the Company held by the Company shall not have any voting rights and shall not be counted into the total number of voting shares present at the shareholders' general meeting.

When the shareholders' general meeting deliberates on significant matters affecting the interests of small and medium investors, the voting by small and medium investors should be counted separately. The results of the separate voting should be promptly disclosed.

If a shareholder purchases the voting shares of the Company in violation of paragraphs 1 and 2 of Article 63 of the "Securities Law", such shares exceeding the prescribed proportion shall not exercise voting rights within 36 months after the purchase, and they shall not be included in the total number of shares carrying voting rights at the shareholders' general meetings.

The soliciting of shareholders' voting rights at the shareholders' general meetings can be carried out by board of directors, independent directors, and the shareholders holding more than one percent of voting shares, or investor protection institutions established according to laws, administrative regulations or provisions of the CSRC. No consideration shall be involved in the solicitation of voting rights and sufficient disclosure of information such as the specific voting preference shall be disclosed to the shareholders from whom voting rights are being solicited. Except for statutory conditions, the Company shall not impose any limitation related to the minimum shareholding ratio on the solicitation of voting rights.

Article 71 The following matters shall be passed by way of ordinary resolutions of the shareholders' general meeting:

- (1) work reports of the board of directors and the supervisory committee;
- (2) profit distribution proposals and proposals for making up losses formulated by the board of directors;
- (3) appointment and removal of members of the board of directors and the supervisory committee and their remuneration and methods of payment;
- (4) the Company's plans for annual financial budget, final accounts;
- (5) the Company's annual reports;
- (6) matter other than those which are required by laws, administrative regulations, the Company's Articles or shareholders' resolutions passed in general meetings to be passed by way of special resolutions.

Article 72 The following matters shall be passed by way of special resolutions of the shareholders' general meeting:

- (1) increase or decrease of the registered capital of the Company;
- (2) division, spin-off, merger, dissolution and liquidation of the Company;
- (3) amendment of Company's Articles;
- (4) the Company's acquisition or disposal of material assets or provision of guarantees conducted within the period of one year with a value exceeding thirty percent of the latest audited total assets of the Company;
- (5) share incentive schemes;

- (6) other matters stipulated by laws, administrative regulations, or the Company's Articles, and deemed by an ordinary resolution of the shareholders' general meeting, may have significant impact on the Company and require adoption by way of a special resolution.

Article 73 Independent directors, upon approval at special meeting of independent directors, shall have the right to propose to the board of directors to call an extraordinary general meeting. The board of directors shall, in accordance with the requirements of the laws, regulations and these articles, give a written response on whether or not it agrees to call such an extraordinary general meeting within ten days after receipt of the proposal from the independent directors to call such meeting.

If the board of directors agrees to call an extraordinary general meeting, it shall issue a notice calling such meeting within five days after it has so resolved; if the board of directors does not agree to call such meeting, it shall give the reasons therefor in writing and publish the same in a public announcement.

Article 74 The supervisory committee shall have the right to propose to the board of directors to call an extraordinary general meeting and the proposal should be made in writing. The board of directors shall, in accordance with the requirements of the laws, regulations and these articles, give a written response on whether or not it agrees to call such meeting within ten days after receipt of the proposal.

If the board of directors agrees to call an extraordinary general meeting, it will issue a notice calling such meeting within five days after it has so resolved. The consent of the supervisory committee shall be obtained if any change is to be made to the original proposal in the notice.

If the board of directors does not agree to call such meeting, or fails to give a response within ten days after receipt of the proposal, it shall be deemed to be unable to or have failed to perform its duty of convening the general meeting, and the supervisory committee may itself convene and preside over such meeting.

Article 75 A shareholder alone or shareholders together holding more than ten percent of the Company's shares shall have the right to make a request to the board of directors to call an extraordinary general meeting and the proposal shall be made in writing. The board of directors shall, in accordance with the requirements of the laws, regulations and these articles, give a written response on whether or not it agrees to call such a meeting within ten days after receipt of the request.

If the board of directors agrees to call an extraordinary general meeting, it shall issue a notice calling such meeting within five days after it has so resolved. The consent of the relevant shareholder(s) shall be obtained if any change is to be made in the notice to the original request.

If the board of directors does not agree to call such meeting, or fails to give a response within ten days after receipt of the request, the shareholder alone or shareholders together holding more than ten percent of the shares shall have the right to propose to the Supervisory Committee to call an extraordinary general meeting and the proposal should be made in writing.

If the supervisory committee agrees to call the extraordinary general meeting, it shall issue a notice calling such meeting within five days after receipt of the request. The consent of the relevant shareholder(s) shall be obtained if any change is to be made in the notice to the original request.

If the supervisory committee fails to issue a notice calling the general meeting by the prescribed deadline, it shall be deemed to have failed to convene and preside over such meeting, and a shareholder who alone has held or shareholders who together have held more than ten percent of the shares of the Company for at least ninety days in succession may himself/themselves convene and preside over such meeting.

Article 76 If the supervisory committee or shareholders decide to convene the shareholders' general meeting on their own initiative, they shall notify the board of directors in writing and file with the stock exchanges of the Company's domestic listing place.

The convening shareholder shall hold no less than ten percent of shares in the Company immediately before the resolution of such meeting is announced.

The supervisory committee or convening shareholders shall provide the relevant evidencing materials to the stock exchange of the Company's domestic listing place when issuing the notice convening the shareholders' general meeting and making announcement of resolutions resolved at the shareholders' general meeting.

Article 77 When the supervisory committee or shareholders itself/themselves convene a shareholders' general meeting, the board of directors and the secretary to the board shall give their cooperation. The board of directors shall provide the register of members as of the equity record date. In the event the board of directors fails to provide the shareholders' register, the convener may apply to the securities registration and settlement institution holding the relevant announcement of the notice convening the shareholders' general meeting for obtaining it. The shareholders' register obtained by the convener shall not be used for purposes other than convening the shareholders' general meeting.

- Article 78 When the supervisory committee or shareholders itself/themselves convene a shareholders' general meeting, the necessary expenses shall be borne by the Company.
- Article 79 The board of directors should convene the shareholders' general meeting on time within the period stipulated in Article 56 of the Company's Articles. The shareholders' general meeting is chaired by the chairman of the board of directors; if the chairman cannot perform the duties or fails to perform the duties, the meeting will be chaired by the vice chairman; if the vice chairman cannot perform the duties or fails to perform the duties, a director elected by more than half of the directors jointly will preside.
- Article 80 Where the meeting presider has doubts about the results of the resolution put forward for voting, he may organize to count the number of votes cast. If no counting is made by the meeting presider, any shareholder or proxy of shareholder present who queries the polling results as announced by the chairman shall have the right immediately after the announcement of the results to demand a counting of the votes. The meeting presider shall forthwith organize a counting of the votes.
- Article 81 The Company shall formulate the Order of Meeting for Shareholders' General Meeting, stipulating in detail the procedures for convening of and the voting at the shareholders' general meeting (including procedures for notification, registration, approval and examination of motions, voting, counting of votes, announcement of voting result, making of resolutions, minutes of meeting and its signing as well as announcement, etc.). The Order of Meeting for Shareholders' General Meeting, as an addendum to Company's Articles, shall be drafted by the board of directors and approved by the shareholders' general meeting.

CHAPTER 9: SPECIAL PROCEDURES FOR VOTING BY CLASS SHAREHOLDERS

- Article 82 Holders of various classes of shares are class shareholders.
- Class shareholders shall enjoy rights and assume obligations in accordance with laws, administrative regulations and Company's Articles.
- Article 83 Any proposal by the Company to vary or abrogate the rights conferred on any class shareholders must be approved by a special resolution of the shareholders' general meeting and by the class shareholders affected at a separate meeting convened in accordance with Articles 86 to 88.
- Article 84 The rights of class shareholders are deemed to be varied or abrogated in the following circumstances:

- (1) the increase or decrease of the number of shares of such class, or the increase or decrease of the number of shares of a class having voting or equity rights or other privileges equal or superior to those of the shares of such class;
- (2) the conversion of all or part of the shares of such class into shares of another class, or the conversion of all or part of the shares of another class into the shares of such class or conferring such rights of conversion;
- (3) the removal or reduction of rights to accrued dividends or cumulative dividends attached to shares of such class;
- (4) the reduction or removal of a dividend preference or a liquidation preference attached to shares of such class;
- (5) the increase, removal or reduction of conversion privileges, options, voting rights, transfer or pre-emptive rights, or rights to acquire securities of the Company attached to shares of such class;
- (6) the removal or reduction of rights to receive amounts payable by the Company in particular currencies attached to shares of such class;
- (7) the creation of a new class of shares having voting or equity rights or other privileges equal or superior to those of the shares of such class;
- (8) the imposition of restrictions or additional restrictions on the transfer or ownership of the shares of such class;
- (9) the issue of rights to subscribe for, or convert into, shares of such class or another class;
- (10) the increase in rights or privileges of shares of another class;
- (11) the restructuring of the Company which will result in shareholders of different classes bearing a disproportionate obligations of such proposed restructuring;
- (12) the variation or abrogation of the provisions of this Chapter.

Article 85 Shareholders of the affected class, whether or not otherwise having the right to vote at general meetings, shall nevertheless have the right to vote at class meetings in respect of matters concerning Articles 84(2) to (8) and (11) to (12), but interested shareholders shall not be entitled to vote at class meetings.

Article 86 Decisions of any class of shareholders shall be made by votes of more than two-thirds of the voting rights of shareholders of that class present at that meeting who, according to Article 87, are entitled to vote at class meetings.

Article 87 Where the Company convenes a class meeting of shareholders, written notice to notify the shareholders of that class whose names appear in the register of shareholders of the matters to be considered and the date and venue of the meeting must be given in accordance with Article 58 of these Articles in relation to the time limit on the notice for convening a shareholders' general meeting.

Article 88 Notices of class meetings need only be served on shareholders entitled to vote thereat.

Meetings of any class of shareholders shall be conducted in a manner as nearly as possible as that of shareholders' general meetings. Provisions in these Articles which relate to the manner in which shareholders' general meetings are conducted shall apply to meetings of any class of shareholders.

Article 89 In addition to holders of other classes of shares, holders of domestic invested shares and holders of overseas listed foreign invested shares are deemed to be shareholders of different classes.

The special procedures for approval by separate class shareholders shall not apply to the following circumstances:

- (1) where the Company issues, upon approval by a special resolution at a shareholders' general meeting, either separately or concurrently once every twelve months, domestic invested shares and overseas listed foreign invested shares in numbers not exceeding twenty percent respectively of the numbers of domestic invested shares and overseas listed foreign invested shares of the Company then in issue;
- (2) where the Company's plan for issuing domestic invested shares and overseas listed foreign invested shares upon its establishment is implemented within fifteen months from the date of approval by the State Council Securities Commission.

CHAPTER 10: BOARD OF DIRECTORS

Article 90 The Company shall have a board of directors. The board of directors shall consist of nine directors. More than half of the members of the board of director shall be external directors (i.e., directors who are not employees of the Company, hereinafter inclusive), at least one-third of the members of the board of director, and with a minimum of three of them, shall be independent directors. At least one of the independent directors shall be an accounting professional who meets the requirements of securities regulatory rules of place where the Company is listed.

Director(s) may concurrently hold the position of senior management officer. However, the number of such director(s) shall not more than half of the total members of the board of directors.

The board of directors shall include one chairman and one vice chairman.

Article 91 Directors are elected or replaced by the shareholders' general meeting, which can be terminated by the shareholders' general meeting before the term expires. The term of service for each session shall be three years. Upon the expiration of his/her term, a director is eligible for re-election. However, no independent director shall serve consecutive terms exceeding six years. If a re-election is not conducted in time upon the termination of the tenure of the director, the original director(s) shall assume the responsibilities in accordance with the laws, administrative regulations, departmental regulations and these Articles before the new director(s) take office.

The chairman and vice chairman of the board are elected and removed by a simple majority of all the directors. The chairman and vice chairman of the board shall serve for a term of three years. They are eligible for re-election. A director may concurrently occupy the post of president or of a senior management officer other than a supervisor.

Subject to the compliance with the provisions of the relevant laws and administrative regulations, the shareholders' general meeting shall have the power to dismiss any director(s) by ordinary resolution before the expiration of his/her term of office (but without prejudice to the claim for damages under any contract).

If the number of board meetings personally attended by a director within a year is less than two-thirds of the number of board meetings in that year, the supervisory committee of the Company shall review for his/her performance and make a resolution on whether he/she is diligent and responsible.

If an independent director fails to attend two consecutive board meetings personally or delegate other independent directors to attend on his/her behalf, the board of directors should propose convening a shareholders' general meeting within thirty days from the date of occurrence to remove such independent director from office; or in the case of other directors, such director who fails to attend the meetings in person or by alternate on two consecutive occasions, the board of directors may request at shareholders' general meeting to remove such director.

Personal attendance includes physical presence or attending via communication means.

Article 92 A director may resign before the expiration of his/her term. The director who resigns shall submit a written resignation report on his/her resignation to the board of directors, specifying in the written resignation report the resignation date, specific reasons for resignation, relinquished position, circumstances such as continuation or cessation of service in the Company and its subsidiaries post-resignation (if continued, specifying the situation of continuation of service), and transfer of responsibilities. If the resignation is not due to term completion, apart from the aforementioned requirements, the written resignation report should also be filed with the supervisory committee. If the reason for leaving may involve the Company's illegal or irregular operations, it should be specified, and promptly report to the stock exchange of the Company's domestic listing place other relevant regulatory institutions.

An independent director should explain any circumstances related to his/her resignation or that he/she considers necessary to draw the attention of shareholders and creditors in the resignation report. The Company should disclose the reasons for the independent director's resignation and the issues of concern.

Except for the following circumstances, the resignation of directors or independent directors becomes effective upon the delivery of the resignation report to the board of directors:

- (1) If a director's resignation results in the number of board members falling below the statutory minimum;
- (2) If an independent director's resignation leads to the proportion of independent directors in the board of directors of the Company or its specialized committees not complying with relevant laws, regulations, or the Company's Articles, or the absence of accounting professionals among independent directors.

In case of the aforementioned situations, the resignation report should only become effective after the vacancy created by the resignation is filled by the next director or independent director. Until the resignation report becomes effective, the director or independent director intending to resign should continue to fulfill his/her duties according to laws, securities regulatory rules of the place where the Company is listed, and the Company's Articles.

The Company should complete the by-election within sixty days from the date of resignation proposed by the director or independent director to ensure compliance with provisions of relevant laws, regulations, securities regulatory rules of the place where the Company is listed, and the Company's Articles.

Article 93 The independent directors shall submit an annual work report to the Company's annual general meeting to give an account of the discharge of their duties.

Article 94 The list of candidates nominated for election as directors shall be proposed and passed by way of an ordinary resolution at a shareholders' general meeting. Notice of intention to nominate a person for election as a director and notice by such person of his/her willingness to be elected shall be in writing and lodged with the Company no earlier than the day after the dispatch of the notice of the shareholders' general meeting appointed for such election and no later than ten days prior to the date of such meeting. The nominator shall fully understand the background information of the candidate, such as his/her occupation, educational background, titles and detailed working experience and other positions held and shall be responsible for providing such information to the Company in writing.

The Company shall disclose the particulars (including curriculum vitae and background information) of the candidates before the shareholders' general meeting is convened to enable the shareholders to have thorough understanding of the candidates before voting.

Article 95 The independent directors must be independent. The independent directors shall discharge their duties independently free from the influence of the Company and its substantial shareholder or de facto controller or the interested parties, whether entities or individuals, of the Company, its substantial shareholder or de facto controller.

The Company establishes a system for independent directors, specifically regulating matters such as the conditions for independent directors' appointment conditions, nomination, election and replacement, duties and rights, and safeguards for their performance.

Article 96 When candidates for directors, supervisors, or senior management officers undergo deliberation of resolutions of their appointment at authorized institutions such as shareholders' general meetings, board meetings, or meeting of the employee representative, they should personally attend the meeting and provide details regarding their capabilities, qualifications, professional experience, any violations of laws or regulations, conflicts of interest with the Company, relationship with the Company's controlling shareholders, de facto controllers, other directors, supervisors, or senior management officers, etc.

Article 97 The Company's board of directors, supervisory committee, shareholders individually or jointly holding one percent or more of the issued shares of the Company may nominate candidates for election as independent directors. The board of directors, the supervisory committee and shareholders individually or jointly holding three percent or more of the issued shares of the Company may nominate candidates for election as other directors.

Legally established investor protection institutions can publicly request shareholders to entrust them with the right to nominate independent directors.

The aforementioned nominators cannot nominate any person who has an interest in them or any other person who has a close relationship that may affect the independent performance of his/her duties as a candidate for independent directors.

Article 98 Before a shareholders' general meeting for election of independent directors is convened, the Company shall submit the relevant information of all the candidates nominated for election to the stock exchange of the domestic listing place. If the board of directors of the Company has objections to the relevant circumstances of the nominee, it shall submit a written opinion of the board of directors at the same time. If the stock exchange of the domestic listing place raises objection to a nomination, the Company should not submit the nominee for election at the shareholders' general meeting. If the proposal has already submitted for deliberation, it should be withdrawn. When the shareholders' general meeting is convened to elect the independent directors, the Company's board of directors shall explain whether the stock exchange of the domestic listing place has raised objection to the nomination of the candidates for independent directors.

Article 99 The board of directors shall be accountable to the shareholders' general meeting and shall exercise the following functions and powers:

- (1) to be responsible for convening shareholders' general meetings and to report on its work to the shareholders' general meeting;
- (2) to implement resolutions of the shareholders' general meeting;
- (3) to decide on the Company's business plans and investment proposals;
- (4) to formulate the Company's annual financial budget and final accounts;
- (5) to formulate the Company's profit distribution proposals and proposals for making up losses;
- (6) to formulate proposals for the increase or reduction of the registered capital of the Company and proposals for the issue of bonds of the Company;
- (7) to formulate proposals for the issue of bonds of the Company or other securities and listings;
- (8) to draft proposals for Company to repurchase of its own shares;

- (9) to draft proposals for significant acquisitions by the Company;
- (10) to formulate proposals for the merger, division or dissolution of the Company or the change of the mode of the Company;
- (11) to decide on the establishment of the Company's internal management organization;
- (12) to decide to appoint or remove the Company's president, secretary of the board of directors and to appoint or remove the vice presidents and other senior management officers based on the recommendations of the president, and to decide on their remuneration and rewards and punishments;
- (13) to formulate the Company's basic management system;
- (14) to formulate proposals for any amendment of Company's Articles;
- (15) to manage Company disclosure matters;
- (16) to decide on matters relating to guarantees provided by the Company to a third party and financial assistance within the scope of authorization granted by the shareholders' general meeting;
- (17) to decide on matters relating to external investments, acquisition or disposal of assets, pledge of assets, entrusted asset management and related transactions and external donations within the scope of authorization granted by the shareholders' general meeting;
- (18) to propose to the shareholders' general meeting to appoint or change the accounting firm for the Company's audit;
- (19) to listen to and receive reports on the Company's operations from the president and review the president's work;
- (20) to perform other functions and powers given by the laws, administrative regulations, departmental regulations and these Articles;
- (21) to decide on other major business matters and administrative matters that are not required by these Articles or the relevant regulations to be decided by the shareholders' general meeting.

Where all directors agree, the board of directors in exercising the powers and functions mentioned above may delegate the same to one or more directors. However, matters which are of material interests to the Company shall be decided collectively by all members of the board. The delegation of powers by the board of directors shall be clear and specific.

Article 100 If any matters to be resolved by the board of directors involve any significant matters such as direction of reform and development, key objectives, and key work arrangements of the Company, the board of directors should first seek advice from the Party Committee. When the board of directors appoints the senior management officers of the Company, the Party Committee shall consider and provide comments on the candidates nominated by the board of directors or the president, or recommend candidates to the board of directors and president.

Article 101 If the Company provides guarantees for others, in addition to being deliberated and approved by more than a half of the board members, it should also be deliberated and approved by over two-thirds of the attending directors at the board meeting. If it conforms to Article 53 of these Articles, it should further obtain approval from the shareholders' general meeting.

If the Company provides guarantees for its controlling shareholders, de facto controllers, or their affiliates, it should request counter-guarantees from them.

The directors, supervisors, president and other senior management of the Company shall not enter into external guarantee contracts on behalf of the Company in violation of the approval authority and or deliberation procedures. For any loss caused to the Company by external guarantee contracts entered into by the directors, president and other senior management of the Company beyond their authority on their own, the Company shall investigate and the relevant person shall be held accountable.

Article 102 The board of directors shall formulate the Order of Meeting for the Board of Directors in order to ensure the board's implementation of the resolutions passed at the shareholders' general meeting, enhance operational efficiency and ensure the making of scientific decisions. The Order of Meeting for the Board of Directors, as an addendum to these Articles, shall be drafted by the board of directors and approved by the shareholders' general meeting.

The Order of Meeting for the Board of Directors shall expressly provide for the approval authority of the board of directors in respect of the following matters, namely, external investment, acquisition or disposal of assets, pledge of assets, provision of guarantees provided by the Company to a third party, entrusted asset management and external donations of the Company.

For any substantial investment project involving amount of money beyond its approval authority, the board of directors shall gather the relevant experts and professionals to consider and approve the project and subsequently submit it to the shareholders' general meeting for approval.

Article 103 Apart from the powers as granted to the directors pursuant to the Company Law and other relevant laws, administrative rules and regulations and Company's Articles, the independent directors are entitled to exercise the following special powers and functions:

- (1) independently hiring intermediary agencies to audit, consult, or verify specific Company matters;
- (2) to propose the convening of an extraordinary general meeting to the board of directors;
- (3) to propose the convening of a board of directors meeting;
- (4) publicly soliciting shareholders' rights in accordance with the law;
- (5) to express independent opinions on matters that may jeopardize the rights and interests of the company or small and medium shareholders;
- (6) other powers stipulated by provisions of laws, administrative regulations, securities regulatory rules of the place where the Company is listed, and these Articles.

Any exercise of the functions and powers listed in the first to third items of the preceding paragraph by an independent director shall be considered and approved at a special meeting of independent directors.

If the independent directors exercise the functions and powers listed in the first paragraph, the Company should promptly disclose it. If the aforementioned powers cannot be exercised normally, the Company should disclose the specific circumstances and reasons.

Article 104 Following matters subject to deliberation and approval by a special meeting of independent directors before submission to the board of directors include:

- (1) related transactions that should be disclosed;
- (2) plans for changes or waivers of commitments by the Company or related parties;
- (3) decisions and measures made by the acquired Company's board regarding the acquisition;
- (4) other matters stipulated by provisions of laws, administrative regulations, securities regulatory rules of the place where the Company is listed, and these Articles.

Article 105 The chairman of the board shall exercise the following functions and powers:

- (1) to preside at shareholders' general meetings and to convene and preside at meetings of the board of directors;
- (2) to supervise and examine the implementation of resolutions of the board of directors;
- (3) other functions and powers authorized by the board of directors.

The Company's vice chairman of the board shall assist the chairman. If the chairman cannot perform or fails to perform his/her duties, the vice chairman shall perform the duties. If the vice chairman cannot perform or fails to perform his/her duties, more than half of the directors shall jointly elect a director to perform the duties.

Article 106 The board of directors shall hold at least four regular meetings every year as convened by the chairman of the board, and notify all members of the board of directors and the Supervisory Committee fourteen days before the meeting. A temporary extraordinary meeting can be held if being proposed by either the shareholders representing more than one-tenth voting rights or the chairman of the board, jointly proposed by more than one-third of directors, a resolution passed by a special meeting of independent directors, or proposed by the supervisory committee or the president of the Company.

Article 107 Notice of board meetings shall be given in the following manner:

- (1) Where the time, venue and agenda of regular board meetings have been set in advance by the board of directors, no notice of meeting is required;
- (2) If the time and venue of regular or ad hoc board meetings have not been decided in advance by the board of directors, the board secretary should issue written meeting notices sealed with the board's seal at least fourteen days and five days before the date of the meeting, respectively. Notices can be delivered by facsimile, courier, registered mail, electronic mail, personal delivery, or other means to all directors and supervisors. In cases of emergency requiring an ad hoc board meeting, notice of meeting can be given at any time via phone or other verbal means, with explanations provided by the convener at the meeting;
- (3) The notice shall be in Chinese, with English added to it if necessary. The notice shall include an agenda of the meeting.

Any director or supervisor may waive his/her right to receive notices of board meetings.

Notice of a meeting shall be deemed to have been given to any director or supervisor who is present or in attendance at the meeting without protesting, before or at its commencement, any lack of notice.

Article 108 The board of directors shall provide the directors with sufficient information, including the background information on matters forming part of the agenda for the meeting, information and data which may assist the directors to understand the business development of the Company.

The Company should regularly inform independent directors about the Company's operational status, provide information, organize or cooperate with independent directors to carry out on-site visits and other work. For significant matters requiring board decisions, the Company should promptly issue board meeting notices to independent directors in accordance with these Articles, providing relevant meeting information no later than the deadlines stipulated by laws, regulations, securities regulatory rules of the place where the Company is listed, or these Articles, and effective communication channels should be provided to independent directors. If the independent directors consider the information insufficient, they may request supplementary information. If two or more independent directors consider that the meeting information is incomplete, insufficiently reasoned, or untimely provided, they may request the board of directors in writing to postpone the date for convening the meeting of the board of directors or to consider the matter at a later date. The board of directors shall adopt accordingly.

Article 109 Board meetings and specialized committee meetings should be convened in person as a principle. On the premise of ensuring full communication and expression of opinions by all attending directors, video, telephone, or other means can be used to convene meetings according to the procedure when necessary.

Article 110 Except where laws, regulations, or the securities regulatory rules of the place where the Company is listed, stipulate otherwise, meetings of the board of directors shall only be held when more than half of the directors (including any alternates appointed in accordance with the provisions of Article 111 below) present.

Each director has one vote for board resolutions. Unless otherwise stipulated by these Articles and the securities regulatory rules of the place where the Company is listed, the board may pass a resolution only upon an affirmative vote of more than one-half of all the directors.

Article 111 Meetings of the board of directors shall be attended by the directors in person. If a director is unable to attend for any reason, he/she may appoint another director as his/her alternate in writing to attend the board meeting, provided that he/she has reviewed the meeting materials and formed clear opinions. The relevant authorisation letter shall include the proxy's name, the matters being represented, the scope of authorization and the validity period, and shall be signed or sealed by the appointer. Regarding voting matters, the appointer should explicitly express consent, objection, or abstention on each item in the relevant authorisation letter. Directors are prohibited from appointing or accepting the appointment without a voting intention, with full authorization, or with unclear authorization scope. A director shall not accept appointment of more than two directors at a single board meeting as representative to attend the meeting. Independent directors shall not appoint non-independent directors to attend meetings. Disinterested directors cannot appoint interested directors to attend meetings when considering related transactions. Directors shall remain responsible for voting matters despite of the appointment of other directors for attendance.

An alternate who attends a board meeting on behalf of another director shall exercise the rights of a director within the given scope of authority set out in the authorization letter. A director who fails to attend a particular board meeting and who has not appointed an alternate to attend the meeting on his/her behalf shall be deemed to have waived his/her voting rights in respect of that meeting.

Article 112 The board of directors shall keep minutes of its decisions on the matters considered and make truthful, accurate and complete records of decisions of matters discussed at the meetings, which fully reflect the opinions expressed by attendees for the considered matters, and specify opinions of independent directors. Directors attending the meeting, the secretary of the board of directors, the person taking minutes and other relevant staff shall sign and confirm the minutes of the meeting. Documents and minutes of the meeting of the board of directors shall be filed by the Company for retention for a period of not less than ten years.

Article 113 Written resolutions of board meetings not formed in accordance with statutory procedures, even if each director expresses opinions in different ways, do not have legal effect as board resolutions. Directors shall be responsible for the resolutions of the board of directors. Directors who vote in favor of the board resolution which contravenes laws, administrative regulations, the Company's Articles, or resolutions of the shareholders' general meeting, causing serious losses to the Company, shall bear direct liability (including liability of compensation). Directors who are proved to have dissented at the time of voting and who cast a contrary vote recorded in the minutes of the meeting may be exempt from liability. Directors who abstain from voting or fail to attend the meeting without appointment shall not exempt from liability. Directors who clearly expressed dissent during discussion but did not explicitly vote against it shall not exempt from liability either.

Article 114 There shall be three specialized committees established under the board of directors, namely, Audit and Internal Control Committee, Nomination and Remuneration Committee, and Strategy and Investment Committee. The board may establish several specialised board committees based on requirements of regulatory rules from time to time and the actual needs of the Company for conducting research in relation to specialized matters, provide opinions and recommendations for the board's decision-making as reference. All members of specialised board committees are composed of directors, and the members of the specialised board committees shall normally be appointed for a term of three years, and the term of office of the members shall be the same as that of the directors.

CHAPTER 11: SECRETARY OF THE BOARD OF DIRECTORS

Article 115 The Company shall have a secretary of the board of directors, who shall be a senior management officer of the Company nominated by the chairman of the board and appointed or dismissed by the board.

Article 116 The secretary of the board is responsible, for the following duties, to the listed Company and the board:

- (1) to oversee corporate information disclosure affairs, coordinate work of corporate information disclosure, organize and formulate the establishment of the Company's information disclosure management system, and supervise the Company and related obligors of information disclosure to comply with relevant regulations of information disclosure;
- (2) to manage investor relations, coordinate communication of information between the Company and securities regulatory authorities, investors, de facto controllers, intermediaries, media, etc.;
- (3) to arrange and organize board meetings and shareholders' general meetings, attend shareholders' general meeting, board meeting, supervisory committee meeting and meeting related to senior management officers, and be responsible for work of board meeting minutes, and signing them;
- (4) to be responsible for work of confidentiality regarding the Company's information disclosures, promptly reporting and disclosing to the stock exchange of the Company's domestic listing place, in cases of leak of significant undisclosed information;
- (5) to monitor media reports and take the initiative to verify the truth, and urge for timely responses from related entities to inquiries from the securities regulatory authority of place where the Company is listed;

- (6) to organise training for the board, supervisors, and senior management officers of the Company regarding provisions of relevant laws, regulations, and securities regulatory rules of the place where the Company is listed, assisting the aforementioned personnels in understanding their respective responsibilities in information disclosure;
- (7) to supervise the board, supervisors, and senior management officers complying with laws, regulations, securities regulatory rules of the place where the Company is listed, and the Company's Articles, and earnest fulfillment of their commitment; and shall remind the board, supervisors, and senior management officers, and promptly and honestly report to the stock exchange of the Company's domestic listing place upon knowing their resolutions made violate or potentially violate relevant regulations;
- (8) to manage changes of the Company's stocks and its derivative products;
- (9) to perform other duties required by laws, regulations, and the securities regulatory authority of the place where the Company is listed.

CHAPTER 12: PRESIDENT OF THE COMPANY

Article 117 The Company shall have a president who shall be nominated by the chairman of the board and appointed or removed by the board of directors. The Company shall also have several vice presidents who shall assist the president at work. The vice presidents, and other senior management officers are nominated by the president and appointed or dismissed by the board. The term of office of president, vice president, and other senior management officers is three years and can be reappointed and re-elected.

Article 118 The Company's president shall be accountable to the board of directors and shall exercise the following functions and powers:

- (1) to be in charge of production, operation and management of the Company, and to organise the implementation of the resolutions of the board of directors;
- (2) to organise the implementation of the Company's annual business plans and investment plans;
- (3) to draft the plan for the establishment of the Company's internal management organisation;
- (4) to draft the Company's basic management system;

- (5) to formulate the basic rules and regulations of the Company;
- (6) to request the appointment or dismissal of the Company's deputy presidents and other senior management officers;
- (7) to appoint or dismiss management personnel other than those to be appointed or dismissed by the board of directors;
- (8) to decide upon the rewards and punishment, promotion and demotion, salary increments and reductions, employment or appointment, dismissal and discharge of the employees of the Company;
- (9) to represent the Company in handling important business matters with third parties;
- (10) other functions and powers authorized by these Articles and the board of directors.

Article 119 The president may attend meetings of the board of directors.

Article 120 The president and other senior management officers must submit a written resignation report for resignation. The specific procedures and methods regarding resignation shall be stipulated in the employment contracts between the president and other senior management officers and the Company.

The resignation of senior management officers becomes effective upon submission of the resignation report to the board. The requirements of Article 92 of these Articles regarding the content and filing of director resignation reports apply to senior management officers.

CHAPTER 13: SUPERVISORY COMMITTEE

Article 121 The Company shall have a supervisory committee.

Article 122 Candidates for external supervisors (referring to supervisors not holding positions within the Company, hereinafter) are nominated by the Company's supervisory committee or shareholders holding more than three percent of the Company's issued shares, either individually or collectively.

The list of the aforementioned supervisor candidates is proposed to the shareholders' meeting as resolution by way of proposal and passes as ordinary resolution. The intention to nominate supervisor candidates and the candidate's willingness to accept the nomination shall be notified in writing no earlier than the second day stipulated for shareholders' general meeting conducting such election, and no later than ten days before the shareholders' general meeting. The nominator must be fully informed of circumstances such as the nominee's profession, education, title, detailed work experience, part-time positions, and be responsible of providing written materials regarding these details to the Company.

The Company must disclose detailed information (including curriculum vitae and basic information) about the aforementioned supervisor candidates before convening the shareholders' general meeting, ensuring sufficient understanding of the shareholders of the candidates before voting.

Article 123 The supervisory committee shall consist of five supervisors, one of whom shall be the chairman of the committee. The supervisory committee shall include external supervisors and supervisors of employees' representatives of the Company at an appropriate ratio, of which the proportion of employee representative supervisors shall not be less than one-third. The external supervisors on the supervisory committee are elected or removed by the shareholders' general meeting and employee representative supervisors, shall be elected or removed by the employees of the Company at the meeting of the employee representatives or employees' meeting, or by any other democratic means.

The term of office for a supervisor is three years, and the supervisor is eligible for re-election. If no election is timely carried out after the expiry of the term of office of the supervisors, the original supervisors shall, before the newly elected supervisors assume their offices, continue to carry out the responsibilities of supervisors according to laws, administrative regulations as well as these Articles.

Supervisors may resign before the expiry of their term by submitting a written resignation report to the supervisory committee. If a supervisor's resignation results in the number of supervisory committee members falling below the quorum, or if the resignation of an employee representative supervisor leads to a reduction of number of employee representative supervisors being less than one-third of the total supervisory committee members, the resignation report shall only take effect after the vacancy caused by his/her resignation is filled by the next supervisor. Until the resignation report takes effect, the supervisor intending to resign must continue to fulfill their duties according to relevant laws, regulations, and the Company's Articles, except securities regulatory rules of the place where the Company is listed stipulated otherwise. The requirements of Article 92 of these Articles regarding the content and filing of director resignation reports apply to supervisors.

If a supervisor proposes resignation, the Company should complete the by-election within sixty days to ensure the composition of the supervisory committee complies with the provisions of relevant laws, regulations, and the Company's Articles.

The election or removal of the chairman of the supervisory committee shall be decided by an affirmative vote of more than half of the members of supervisory committee.

Where the chairman of the supervisory committee is unable or fails to perform his/her duties, more than half of the members of the supervisory committee shall together nominate a supervisor who shall convene and chair the meetings of the supervisory committee.

Article 124 The Company's directors, president and other senior management officers shall not serve concurrently as supervisors.

Article 125 Meetings of the supervisory committee shall be held at least four times regularly per year. They shall be convened by the chairman of the supervisory committee. The supervisors may propose to convene temporary meetings of the supervisory committee.

Article 126 The supervisory committee shall be accountable to the shareholders' general meeting and shall exercise the following functions and powers according to law:

- (1) to examine the financial affairs and business operations of the Company, and where necessary, to demand the directors or the senior management officers concerned to report on the relevant affairs of the Company;
- (2) to supervise the Company's directors, president and other senior management officers in relation to their performance of duties of the Company and to propose removal of a director, president and other senior management officer who has contravened any laws, administrative regulations, Company's Articles or the resolutions passed at the shareholders' general meeting;
- (3) if an act of the Company's directors, president and other senior management officers is harmful to the Company's interests, to require them to rectify such act;
- (4) to verify accounting reports, business reports, profit distribution plans and other financial information proposed by the board of directors to be tabled at the shareholders' general meeting and, if in doubt, to appoint, in the name of the Company, any certified public accountant or practicing auditor to assist in reviewing them; to review periodic reports of the Company prepared by the board of directors and to furnish written review opinions;
- (5) to raise proposals to the shareholders' general meetings;
- (6) to propose to convene extraordinary general meetings of shareholders and, if the board fails to fulfill the duties of convening and presiding over the shareholders' general meeting as required by the Company Law, convening and presiding over the shareholders' general meeting;

- (7) to represent the Company in negotiations with directors or in initiating legal proceedings against directors, president and other senior management officers in accordance with section 151 of the Company Law;
- (8) to conduct investigation into any identified irregularities in the Company's operations, and where necessary, to engage accounting firms, law firms or other professionals to assist in the investigation;
- (9) other functions and powers required by laws, administrative regulations or Company's Articles.

Supervisors may attend meetings of the board of directors, and may raise questions or suggestions on the matters to be decided by the board of directors.

Article 127 Resolutions of the supervisory committee shall be passed by the affirmative vote of more than half of the supervisors.

Article 128 The supervisory committee shall formulate the Order of Meeting for the Supervisory Committee and clearly define the discussion methods and voting procedures of the supervisory committee to ensure its operational efficiency and making of scientific decisions. The Order of Meeting for the Supervisory Committee, as an addendum to these Articles, shall be drafted by the supervisory committee and approved by the shareholders' general meeting.

Article 129 All reasonable expenses incurred by the supervisory committee in the appointment of professionals such as lawyers, certified public accountants or practicing auditors in the exercise of its functions and powers shall be borne by the Company.

CHAPTER 14: QUALIFICATIONS AND OBLIGATIONS OF DIRECTORS, SUPERVISORS, PRESIDENT AND OTHER SENIOR MANAGEMENT OFFICERS OF THE COMPANY

Article 130 None of the following persons may serve as a director, supervisor, president or any other senior management officer of the Company:

- (1) a person without capacity for civil conduct or with limited capacity for civil conduct;
- (2) a person who has been sentenced to criminal punishment for corruption, bribery, expropriation or misappropriation of property, or disruption of the socialist economic and market order, and a period of 5 years has not elapsed since the sentence was completed, or who was deprived of his/her political rights as punishment for a criminal offence, and a period of 5 years has not elapsed since the deprivation ended;

- (3) a person, who was a director, factory chief or manager of a company or enterprise which went into insolvent liquidation, and was personally liable for that insolvent liquidation and a period of three years, counting from the date of completion of the liquidation proceedings in question, has not elapsed;
- (4) a person, who was the legal representative of a company or enterprise which has had its business license revoked or has been ordered to be closed down for contravening the law, and was personally liable for that revocation and a period of three years, counting from the date of revocation of the business license in question, has not elapsed;
- (5) a person with comparatively large debts for which he is personally liable and which have fallen due but have not been settled;
- (6) a person who is subject to securities market entry bans imposed by the CSRC, with an unexpired term;
- (7) a person who is publicly recognized by the stock exchange as unsuitable to serve as directors, supervisors, or senior management officer of a listed company, with an unexpired term;
- (8) other circumstances as prescribed by laws, administrative regulations, departmental rules, or the securities regulatory rules of the place where the Company is listed.

If any election or appointment of directors, supervisors, or engagement of senior management officers is in contravention of this Article, the election, appointment, or engagement shall be invalid. The Company shall dismiss any directors, supervisors and senior management officers in the event that the circumstances specified in the first paragraph of this Article occur during their tenure.

Article 131 Should any director, supervisor, president, or other senior management officers fall under any circumstances in Article 130 (1) to (6) during their tenure, or if an independent director loses their independence as stipulated by laws, regulations, or the securities regulatory rules of the place where the Company is listed after assuming office, the relevant director, supervisor, or senior management officers should immediately cease their duties, and the Company should terminate their position in accordance with relevant regulations.

In case of the circumstances in Article 130 (7) or (8) arising during tenure of any director, supervisor, president, or other senior management officers, the Company should terminate their position within thirty days from the date of occurrence, except where otherwise stipulated by the stock exchange of the Company's domestic listing place.

Relevant directors or supervisors who are supposed to cease their duties but haven't, or those supposed to be dismissed but haven't been, participating in board meetings, its specialized committee meetings, independent director specialized meetings, or supervisor meetings and voting, will render their votes invalid and will not be counted towards attendance.

Article 132 Before the expiry of the term of an independent director, the Company may terminate their position in accordance with statutory procedures. In the event of early termination of an independent director, the Company should promptly disclose the specific reasons and basis. If the independent director has objections, the Company should promptly disclose this.

If an independent director does not resign despite circumstances that trigger provision of Article 130 or if they fail to meet the independence criteria, the board should immediately terminate their position as per regulations after becoming aware of or should have the awareness, of occurrence of such fact.

If an independent director resigns or is dismissed due to the circumstances specified in the preceding paragraph, leading to proportion of independent directors in the board of directors or its specialized committee not in compliance with the provisions of statutes and these Article, or if there's a lack of accounting professionals among the independent directors, the Company should complete a by-election within sixty days from the occurrence of the aforementioned fact.

Article 133 Directors, supervisors, presidents, and senior management officers should abide by laws, administrative regulations, and these Articles and owe the following faithful duties to the Company:

- (1) not to use their powers to accept bribes or other illegal gains, nor embezzle the Company's property;
- (2) not to misappropriate Company funds;
- (3) not to open accounts in their own name or other individuals' names for Company assets or funds;
- (4) not to violate the provisions of these Articles, loan funds of the Company to others, or provide guarantees using Company's property without consent of the shareholders' meeting or the board;
- (5) not to violate provisions of these Articles or, without the shareholders' meeting's consent, enter contracts or conduct transactions with the Company;

- (6) without the consents of shareholders' meeting's consent, not to exploit their position for seeking business opportunities that should belong to the Company for himself/herself or others, or operating business similar to the Company for himself/herself or for others;
- (7) not to retain commissions from transactions with the Company;
- (8) not to disclose Company secrets without authorization;
- (9) not to exploit their association relationship to harm the Company's interests;
- (10) other faithful duties prescribed by laws, administrative regulations, departmental rules, and these Articles.

Income obtained by directors, supervisors, or senior management officers in violation of the provisions of these Articles should belong to the Company. Directors, supervisors, or senior management officers who cause losses to the Company by violating provisions of laws, administrative regulations, departmental rules, or these Articles in the execution of their duties should bear liability for compensation.

Article 134 Directors should diligently adhere to laws, administrative regulations, and these Articles and owe the following diligent duties to the Company:

- (1) to prudently, attentively, and diligently exercise the rights granted by the Company to ensure that the Company's business activities comply with requirements of national laws, administrative regulations, and each of the national economic policies, and the business activities are within the business scope stipulated by the business license;
- (2) to treat all shareholders fairly;
- (3) to timely understand the Company's business operations and management status;
- (4) to sign written confirmation opinion regarding the regular reports of the Company, ensuring the truthfulness, accuracy, and conformations of the information disclosed by the Company;
- (5) to provide the supervisory committee with relevant information and materials truthfully and not hinder the exercise of powers of supervisory committee or supervisors;
- (6) other diligent duties prescribed by laws, administrative regulations, departmental rules, and these Articles.

Items (4), (5), and (6) of the preceding paragraph regarding diligent duties are equally applicable to presidents and other senior management officers.

Items (1) to (4) and (6) of the preceding paragraph regarding diligent duties are also applicable to supervisors.

Article 135 Upon the resignation or expiration of the term of a director, he/she should complete all handover procedures with the board. The faithful duties owed to the Company and shareholders by the director do not cease automatically after the end of term and remain valid within a reasonable period as stipulated by these Articles.

Article 136 No director shall act on behalf of the Company or the board in his/her own name without lawful authorization as stipulated in the Company's Articles or by the board. When a director acts in his/her own name, and if a third party reasonably believes that the director is acting on behalf of the Company or the board, that director should declare his/her position and identity beforehand.

Article 137 Supervisors shall faithfully perform their supervisory responsibilities in accordance with laws, administrative regulations and these Articles.

Supervisors must not accept bribes or other illegal gains, nor embezzle the Company's property. Supervisors should not use their association relationship to harm the Company's interests and, if their actions result in losses to the Company, should be held liable for compensation.

Article 138 The president and other senior management officers of the Company should faithfully perform their duties and safeguard the maximum interests of the Company and all shareholders. Senior management officers of the Company who fail to perform their duties faithfully or breach their fiduciary duties, causing harm to the interests of the Company and public shareholders, shall be held liable for compensation according to the law.

Article 139 The directors, supervisors, president, and other senior management officers of the Company shall ensure timely and fair disclosure of information by the Company. The disclosed information must be true, accurate, and complete. Directors, the president, and other senior management officers of the Company should sign written confirmation opinions on periodic reports. The supervisory committee should review the periodic reports prepared by the board of directors and provide written review opinions. Supervisors should sign written confirmation opinions.

Article 140 A director shall not vote or vote as proxy of other directors at the board meeting on any contract, transaction or arrangement in which he/she or any of his/her associated persons has a material interest (excluding contracts for appointment between the Company and directors, supervisors, president, and other senior management officers), or matters of the board meetings resolutions involving enterprises with association relationships, nor shall he/she be counted in the quorum present at the board meeting. If an independent director discovers any situation affecting his/her independence regarding the matters under consideration, he/she should declare it to the Company and abstain from voting. A board meeting in respect of any contract, transaction or arrangement in which a director or any of his associated persons has any material interest can be convened where not less than half of the disinterested directors of the Company attend the meeting and resolutions in such meeting shall be passed by more than half of the disinterested directors of the Company. If the number of disinterested directors present at the board meeting is less than three, the matter should be put forward to the shareholders for consideration at shareholders' general meeting.

Article 141 The directors, supervisors, president and other senior management of the Company have the obligations to safeguard the Company's capital from being used by the controlling shareholder and its affiliates.

For directors, president and other senior management of the Company assisting and conniving at the appropriation of the Company's assets by the controlling shareholder and its affiliates, the board of directors may, according to the seriousness of the circumstances, impose punishments on the person with direct responsibilities, and propose to remove a director with significant responsibilities at a general meeting.

For supervisors of the Company not fulfilling its responsibilities or assisting and conniving at the appropriation of the company assets by the controlling shareholder and its affiliates, the Supervisory Committee may, according to the seriousness of the circumstances, impose punishments on the person with direct responsibilities, and propose to remove a supervisor with significant responsibilities at a general meeting.

CHAPTER 15: FINANCIAL ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDITING

Article 142 The Company shall establish its own financial and accounting system and internal audit system in accordance with laws, administrative regulations and PRC accounting standards formulated by the State Council finance regulatory authorities.

Article 143 The Company should submit and disclose annual reports to the securities regulatory authority of the place where the Company is listed within four months from the end of each accounting year, submit and disclose interim reports within two months from the end of the first half of each accounting year, and submit and disclose quarterly reports within the period stipulated in the stock exchange regulatory rules of the place where the Company is listed.

The aforementioned annual reports, interim reports and quarterly reports should be prepared in accordance with relevant laws, administrative regulations, and the securities regulatory rules of the place where the Company is listed.

Article 144 The financial reports of the Company shall be made available at the Company for inspection by shareholders twenty days prior to the date of the annual general meeting. Each shareholder shall be entitled to obtain a copy of the financial statements referred to in this Chapter.

Article 145 No books of account other than those provided under the law may be established by the Company. The Company's assets should not be held in accounts under any individual's name for saving.

Article 146 The Company shall implement an internal auditing system. It shall maintain an internal auditing department and be equipped with internal auditing personnel. Under the supervision of the audit and internal control committee of the board of directors, the department shall carry out internal audits of the Company's income and expenditure and other economic activities. The Company's internal auditing system and the responsibilities of the internal auditing personnel shall be implemented upon approval by the board of directors. The person responsible for auditing shall be accountable to and report the work to the board of directors.

Article 147 When distributing the after-tax profits for the current year, the Company shall retain ten percent of the profits as the Company's statutory reserve fund. The Company does not need to retain the profits when the accumulated amount of the Company's statutory reserve fund has reached over fifty percent of the Company's registered capital.

If the statutory reserve fund is not sufficient to off-set the losses of the previous year, the Company shall off-set the losses with the relevant year's profits before retaining the statutory reserve fund as mentioned above.

The Company may further retain discretionary reserve fund from the after-tax profits pursuant to the resolution of the shareholders' general meeting after having retained the statutory reserve fund from the after-tax profits.

After off-setting the losses and retaining for the reserve fund, the Company shall distribute the profits in accordance with the shareholders' shareholding. Profits attributable for the shares held by the Company shall not be distributed to the Company.

If shareholders' general meeting violates the provisions of the preceding paragraph, and distribute profits to shareholders before compensating for losses and withdrawing statutory reserve fund, shareholders must return the profits distributed in violation of the provisions to the Company.

Article 148 The Company's profit distribution policy is as follows:

- (1) When distributing the profits, the Company shall attach importance to giving reasonable return to the investors as well as the sustainable development of the Company. It shall not damage the Company's capability of continuous operations, so that a sustainable and stable profit distribution policy can be implemented.
- (2) The Company may distribute the dividends in cash, in shares or in a combination of both cash and shares. The aim of the Company's cash dividend policy is to stabilize the growth of dividends. When the profits in the relevant year and the accumulated undistributed profits are both in positive value, the Company shall distribute the dividends in cash, and the profits distributed in cash in the profit distribution policy shall not be less than thirty percent of the distributable profits obtained in the relevant year. Based on the Company's profitability and cash flow, when the cash distribution proportion having been satisfied with the requirements under this Article and a reasonable capital scale and shareholding structure of the Company having been guaranteed, the Company may distribute the dividends in cash.
- (3) The dividends (or shares) distribution shall be completed within two months after the resolution concerning the distribution of dividends is passed at the shareholders' general meeting, or specific plan formulated by the Company's board of directors based on the conditions of interim dividends and upper limit of the subsequent year as considered and approved at the annual general meeting.

- (4) The Company's profits distribution policy proposal is prepared by the board of directors based on the provisions of Company's Articles and the Company's operational situation, and is to be considered and approved at the shareholders' general meeting. When considering the detailed proposed policy of cash dividends, the Company's board of directors shall take full account of the Company's operational and development plan, its current and future profits scale, its current cash flow and any need of capital for investment projects, debt repayment capacity, and returns for investors, among other factors, examine and expound and prove the proposed policy of cash dividends seriously. Where independent directors consider that the detailed cash dividend plan might jeopardize the listed Company's or its small and medium shareholders' interests, they have the right to express independent opinions. If the board does not adopt or fully adopt independent directors' opinions, it shall state independent directors' opinions and the reasons for not adopting the opinions in the board resolution, and disclose them. The Company shall, through various methods, collect the opinions and requests from the small and medium shareholders regarding the cash dividend distribution policy of the Company. When the Company convenes an annual general meeting to consider the annual profit distribution plan, it may consider and approve the interim cash dividend's conditions, the proportional limits, and the upper limits of amount for the subsequent year, provided that the upper limit of the interim dividends for the subsequent year considered at the annual general meeting shall not exceed the net profit attributable to the listed Company's shareholders for the corresponding period. The board should formulate a specific interim profit distribution plan which conforms with the conditions of profits distribution according to the resolution of shareholders' general meeting.
- (5) When distributing dividends to shareholders of overseas listed foreign invested shares, the Company may distribute in foreign currency or Renminbi according to regulations on foreign exchange management and cross-border Renminbi management etc.
- (6) The Company shall disclose the proposed profit distribution policy and the implementation of cash dividends of the reporting period in the periodic reports pursuant to the relevant requirements. If the Company has satisfied the requirements for cash dividends under this Article and the board of directors has no plan to distribute cash dividends, the Company shall give the reasons for not distributing cash dividends and the use and plans for the reserved undistributed funds in the periodic report, as well as the measures to be adopted to enhance return level for investors in the next step.

(7) If there are any significant changes in the external operational environment or internal operational situation which cause the Company to decide to adjust or amend the cash dividends policy as set out in paragraphs (2) and (3) above, the board of directors shall consider the amendments in detail before passing a resolution and submit such amendment to the shareholders' general meeting for approval, and shall be approved by two-third of the voting rights of the shareholders who attend the general meeting.

Article 149 The Company shall apply their reserve fund to making up their losses, increasing its production and business operations, or increasing their capital by means of conversion. However, the capital reserve fund shall not be applied to make up the losses of the Company. When statutory reserve fund is converted into capital, such provident fund reserved should not be less than twenty- five percent of the Company's registered capital before the conversion and increase.

Article 150 The Company shall not distribute dividends before it has made up for losses and made allocation to the statutory reserve fund.

Article 151 When distributing dividends, the Company shall, in accordance with the provisions of the tax laws in the PRC, withhold tax payable by shareholders who are individuals in respect of the dividend income.

Article 152 The Company shall appoint receiving agents on behalf of holders of overseas listed foreign invested shares to receive on behalf of such shareholders the dividends declared and all other monies owing by the Company in respect of overseas listed foreign invested shares.

The receiving agents appointed by the Company shall meet the requirements of the local laws or the relevant rules of the stock exchange where the shares of the Company are listed. The receiving agents appointed on behalf of holders of overseas listed foreign invested shares listed in Hong Kong shall be a company registered as a trust company under the Trustee Ordinance of Hong Kong.

CHAPTER 16: APPOINTMENT OF ACCOUNTING FIRMS

Article 153 The Company should appoint an accounting firm which complies with the provisions of the Securities Law for carrying out business such as auditing financial statements, verifying net assets, and providing other related consulting services. The engagement period is one year and can be renewed.

Article 154 The appointment or dismissal of an accounting firm by the Company must be decided by the shareholders' general meeting, and the board of directors cannot appoint or dismiss an accounting firm before the shareholders' general meeting decides.

- Article 155 The Company guarantees to provide the appointed accounting firm with authentic and complete accounting vouchers, accounting books, financial accounting reports, and other accounting materials and should not refuse, hide, or falsify these materials.
- Article 156 The board of directors of the Company should explain to the shareholders' general meeting the non-standard audit opinions issued by certified public accountants regarding the Company's financial reports.
- Article 157 The audit fees of the accounting firms shall be determined by the shareholders' general meeting.
- Article 158 If the Company decides to dismiss or not to renew the services of an accounting firm, it shall give prior notice of fifteen days to that accounting firm. The accounting firm is allowed to present its views at the shareholders' general meeting of the Company in relation to the dismissal of the accounting firm.

Where an accounting firm resigns, it shall explain to the shareholders' general meeting whether or not there is any impropriety in the Company.

CHAPTER 17: STAFF AND WORKERS SYSTEM

- Article 159 In accordance with the relevant provisions of the Labour Law of the People's Republic of China and the subsidiary regulations, the Company shall establish a staff and workers system which is suitable to the particular circumstances of the Company.

CHAPTER 18: PARTY COMMITTEE

- Article 160 Pursuant to the Company Law and the provisions of the Constitution of the Communist Party of China ("Party"), the Company establishes an organization of the Party to carry out the activities of the Party, which shall play a political core role, establish a Party's work organization and carry out the Party's activities, equipped with a sufficient number of personnel to ensure the working funds of the Party organization, provide necessary conditions to facilitate activities of the Party organization.
- Article 161 The Company shall establish the Party Committee. The Party Committee shall have one secretary and several members. The chairman of the board of directors shall serve as the secretary of the Party Committee. Eligible members of the Party Committee may be elected or be appointed as directors, supervisors and senior management officers through legal procedures, and eligible Party members who are directors, supervisors or senior management officers join the Party Committee in accordance with relevant regulations and procedures.

Article 162 The Party Committee of the Company shall perform its duties in accordance with regulations of the Party including the Constitution of Communist Party of China.

- (1) To monitor the implementation of the principles and policies of the Party and of the State within the Company, and to implement material strategic decisions made by the Central Committee of the Party and the State Council as well as important work deployment assigned by Party organizations of higher levels.
- (2) To persist in combining the principle of the Party supervising the performance of officials with the legitimate selection by the board of directors of the managers and the legitimate use of human resources by the managers.
- (3) To consider and discuss matters on reform, development and stability of the Company, major operation and management matters as well as key issues involving the vital interests of employees, and make suggestions.
- (4) To take full responsibility for the strict discipline of the Party. To take the lead on the Company's ideological and political work, united front work, construction of spiritual civilization, construction of enterprise culture and the work of the trade union and the Communist Youth League and other mass groups and organizations. To take the lead on improving Party conduct and upholding integrity and to support the performance by the Discipline Committee of its supervision duties.

CHAPTER 19: MERGER AND DIVISION OF THE COMPANY

Article 163 Merger of companies may take the form of merger by absorption and merger by new establishment.

Where there is a merger, the parties to the merger shall enter into a merger agreement, and prepare balance sheets and lists of property. The Company shall notify its creditors within a period of ten days from the date of the resolution approving the merger and make newspaper announcements of the merger within thirty days of that date. Creditors shall, within a period of thirty days commencing from the date of receipt of the written notification, or within a period of forty-five days commencing from the date of the announcement for those who do not receive written notification, have the right to claim full repayment or provision of a corresponding guarantee from the Company.

After the merger, the company which survives or is newly established shall succeed to the claims and debts of all the parties to the merger.

Article 164 Where there is a division of the Company, its property shall be divided accordingly.

Where there is a division of the Company, the parties to the division shall enter into a division agreement, and prepare balance sheets and lists of property. The Company shall notify its creditors within a period of ten days from the date of the resolution approving the division and make newspaper announcements of the division within thirty days from that date.

Debts owing by the Company before the division shall be jointly and severally borne by companies after the division, unless it is stipulated otherwise in the written agreement regarding debt repayment reached between the Company and the creditor before the division.

Article 165 Where the merger or division of the Company involves changes in its registered particulars, such changes shall be registered with the company registration authority according to law. Where the Company is dissolved, it shall cancel its registration according to law. Where a new company is established, its establishment shall be registered according to law.

CHAPTER 20: DISSOLUTION AND LIQUIDATION OF THE COMPANY

Article 166 The Company shall be dissolved due to the following reasons:

- (1) the shareholders' general meeting resolves to dissolve the Company;
- (2) dissolution is necessary as a result of a merger or division of the Company;
- (3) the Company has its business license revoked, is lawfully ordered to be closed down or to be dissolved because of contravention of laws or administrative regulations;
- (4) the Company experiences serious difficulties in respect of its operation and management so that if it continues to exist, the interests of the shareholders will be substantially prejudiced and the difficulties cannot be solved by any other means, the shareholders holding more than ten percent of all shareholders' voting rights of the Company may petition to the People's Court to dissolve the Company.

Article 167 Where the Company is to be dissolved pursuant to items (1) (3) or (4) of the preceding Article, it shall establish a liquidation committee within fifteen days from the occurrence of the dissolution cause to commence liquidation. The liquidation committee shall be composed of directors or persons confirmed by the shareholders' general meeting. If no liquidation committee is established to carry out the liquidation within the time limit, creditors may request the People's Court to designate relevant persons to form a liquidation committee and carry out liquidation.

Article 168 The liquidation committee shall notify creditors within a period of ten days from the date of its establishment and make newspaper announcements of the liquidation within sixty days of that date. Creditor shall, within a period of thirty days commencing from the date receipt of the written notification, or within a period of forty-five days commencing from the date of the announcement for those who do not receive written notification, declare their claims to the liquidation committee. When declaring their claims, creditors shall explain relevant particulars of their claims and provide supporting material. Claims shall be registered by the liquidation committee. During the period of declaring creditors' rights, the liquidation committee shall not settle the claims of creditors.

Article 169 The liquidation committee shall exercise the following functions and powers during the course of the liquidation:

- (1) to sort out the property of the Company and to prepare balance sheets and lists of property;
- (2) to notify creditors by notice or public announcement;
- (3) to dispose of and liquidate any relevant unfinished business of the Company;
- (4) to pay all outstanding taxes and taxes incurred during the liquidation process;
- (5) to sort out all claims and debts;
- (6) to dispose of the Company's residual property after full payment of its debts;
- (7) to take part in civil litigation on behalf of the Company.

Article 170 After the liquidation committee has sorted out the Company's property and prepared balance sheets and lists of property, it shall formulate a liquidation plan to be submitted for confirmation by the shareholders' general meeting or the People's Court.

If the Company's property is sufficient to pay its debts in full, such property shall be applied to payment of the liquidation expenses, the wages, social insurance premium and statutory compensation and the outstanding taxes, and to full payment of the debts of the Company, respectively.

The property of the Company that remains after payment has been made under the preceding paragraph shall be distributed to its shareholders according to the proportion of their shareholding.

During the course of its liquidation, while the Company continues to exist, the Company shall not engage in business activities unrelated to the liquidation.

Company assets will not be distributed to shareholders until they are paid off in accordance with the provisions of the preceding paragraph.

Article 171 If the Company is liquidated by reason of dissolution and the liquidation committee finds, having sorted out the Company's property and prepared balance sheets and lists of property, that the Company's property is insufficient to pay its debts in full, it shall immediately apply to the People's Court for a declaration of bankruptcy.

After the People's Court has made a declaration of bankruptcy in respect of the Company, the Company's liquidation committee shall turn over the affairs of the liquidation to the People's Court.

Article 172 Following the completion of liquidation of the Company, the liquidation committee shall formulate a liquidation report, submit it to the shareholders' general meeting or the People's Court for confirmation, and submit the above documents, the relevant company registration authority to apply to cancel the Company's registration and make an announcement of the termination of the Company.

Article 173 Members of the liquidation committee shall faithfully perform their duties and fulfill their liquidation obligations in accordance with the law.

Members of the liquidation committee shall not accept bribes or other illegal gains, nor embezzle property of the Company.

If members of the liquidation committee intentionally or through gross negligence cause losses to the Company or creditors, they shall bear liability for compensation.

Article 174 If the Company is declared bankrupt according to the law, bankruptcy and liquidation shall be implemented in accordance with relevant laws on corporate bankruptcy.

CHAPTER 21: AMENDMENT OF THE COMPANY'S ARTICLES

Article 175 The Company shall amend the articles of association in any of the following circumstances:

- (1) after the amendment of the Company Law, relevant laws or administrative regulations, the matters stipulated in the Company's Articles are in conflict with the revised provisions of laws or administrative regulations;

- (2) changes in the Company's circumstances are inconsistent with the matters recorded in the Company's Articles;
- (3) the shareholders' general meeting decides to amend these Articles.

Article 176 The board of directors shall amend the Company's Articles in accordance with the resolution of the shareholders' general meeting of articles of association amendment and the examination and approval opinions of the relevant competent authorities. If the matters of amending the articles of association approved by the shareholders' general meeting are subject to examination and approval of the competent authority, they shall be submitted for examination and approval by the competent authority. If matters related to the Company's registration are involved, registration of amendment shall be conducted according to the law.

Article 177 The matters of amending the Company's Articles are information that require disclosure as per laws, regulations, and announcement shall be made as stipulated.

CHAPTER 22: NOTICE AND ANNOUNCEMENT

Article 178 The Company's notifications can be issued in the following forms:

- (1) delivered in person;
- (2) sent by mail;
- (3) through announcement;
- (4) other forms recognized by the securities regulatory authority and stock exchange of the place where the Company's shares are listed, or as stipulated in these Articles.

Article 179 In accordance with the requirements of the Company Law, these Articles, or other relevant laws and administrative regulations, the Company shall make an announcement or notice when a significant event has occurred. For issuance through announcement, the designated media and websites of the stock exchange that meet the conditions prescribed by CSRC are media for publishing Company's announcements and other information that needs to be disclosed. Once announced, notice shall be deemed to be received by all relevant personnel upon announcement.

With regard to the way in which the Company provides and/or disseminates information to shareholders of overseas listed foreign shares in accordance with the Hong Kong Listing Rules, and on the premise of complying with provisions of relevant laws, regulations, normative documents, and the securities regulations of the place where the Company is listed, the Company needs to (1) send or otherwise make available the corporate communications to the relevant holders of its securities using electronic means, or (2) make the corporate communications available on its website and the Exchange's website.

Corporate communications mentioned in the preceding paragraph, refer to any document issued or to be issued by the Company for the information or action of the holders of any of the Company's securities, including but not limited to (1) the directors' reports and the Company's annual accounts together with the auditors' reports; (2) interim reports; (3) notices of meeting; (4) listing documents; (5) circulars; and (6) proxy forms.

The shareholders of the Company's overseas listed shares may also choose in writing to receive the printed copies of the aforementioned corporate communications by mail.

Article 180 If the Company's notice is delivered in person, the person served shall sign (or seal) on the delivery receipt, and the date of signed receipt shall be the date of delivery. If the Company's notice is sent by mail, the delivery date shall be the third working day after date of delivery to the post office. If the Company's notice is made by announcement, the date of delivery shall be the date the announcement was first published.

Article 181 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice, shall not invalidate the meeting and the resolutions passed at the meeting.

CHAPTER 23: MISCELLANEOUS

Article 182 Any deficiencies in these Articles may be supplemented by resolutions of shareholders' general meetings in accordance with relevant provisions such as the laws, administrative regulations, rules and the securities regulatory rules at the place of listing of the Company. All resolutions passed by shareholders' general meetings supplementing these Articles shall form part of these Articles. If these articles conflict with the newly promulgated and implemented relevant provisions such as laws, administrative regulations, rules or the securities regulatory rules at the place of listing of the Company, the newly promulgated and implemented relevant provisions such as laws, administrative regulations, rules or the securities regulatory rules of the place of listing of the Company shall prevail.

Article 183 These Articles are written in both Chinese and English. The two versions are equally authentic, but if discrepancies exist, the Chinese version shall prevail.

Article 184 In these Articles, terms like “above,” “within,” and “below” include the stated number; terms like “besides,” “less than,” and “more than” exclude the stated number.

Article 185 The power to interpret these Articles shall vest with the board of directors, and the power to amend these Articles shall vest with the shareholders’ general meeting.

Record of revisions of these Articles:

1. 1st revision amended by the special resolution at the Company’s annual general meeting held on 15 June 1995;
2. 2nd revision amended by the special resolution at the Company’s annual general meeting held on 24 June 1997;
3. 3rd revision amended by the special resolution at the Company’s annual general meeting held on 24 June 1999;
4. 4th revision in accordance with the authorization to the board of directors by the Company’s extraordinary general meeting held on 6 November 2000;
5. 5th revision amended by the special resolution at the Company’s annual general meeting held on 24 June 2002;
6. 6th revision amended by the special resolution at the Company’s first extraordinary general meeting held on 23 January 2003;
7. 7th revision amended by the special resolution at the Company’s second extraordinary general meeting held on 13 August 2003;
8. 8th revision amended by the special resolution at the Company’s annual general meeting held on 8 June 2004;
9. 9th revision amended by the special resolution at the Company’s annual general meeting held on 23 June 2005;
10. 10th revision amended by the special resolution at the Company’s annual general meeting held on 29 June 2006;
11. 11th revision amended by the special resolution at the Company’s annual general meeting held on 10 June 2008;
12. 12th revision amended by the special resolution at the Company’s annual general meeting held on 16 June 2009;
13. 13th revision in accordance with the authorization to the board of directors by the Company’s extraordinary general meeting held on 28 October 2009;

14. 14th revision amended by the special resolution at the Company's annual general meeting held on 16 June 2011.
15. 15th revision amended by the special resolution at the Company's annual general meeting held on 25 June 2013.
16. 16th revision amended by the special resolution at the Company's annual general meeting held on 16 June 2014.
17. 17th revision amended by the special resolution at the Company's annual general meeting held on 28 June 2018.
18. 18th revision amended by the special resolution at the Company's extraordinary general meeting held on 16 April 2020.
19. 19th revision on 29 July 2020 in accordance with the authorization to the board of directors by the Company's annual general meeting;
20. 20th revision on 31 May 2021 in accordance with the authorization to the board of directors by the Company's annual general meeting;
21. 21st revision amended by the special resolution at the Company's annual general meeting held on 28 June 2021.
22. 22nd revision amended by the special resolution at the Company's annual general meeting held on 28 June 2022.
23. 23rd revision amended by the special resolution at the Company's annual general meeting held on 16 June 2023.
24. 24th revision amended by the special resolution at the Company's 2024 first extraordinary general meeting held on 25 January 2024.